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Russian President
Boris Yeltsin





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CANADA'S WEEKLY NEWSMAGAZINE SEPTEMBER 3, 1991 VOL. 124 NO. 33

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COVER

RED IS DEAD



In a tumultuous week, Communist hard-liners seized Soviet President Mikhail Gorbachev and threatened to plunge their nation into dictatorship. But the Soviet people, rallying around Russian Federation President Boris Yeltsin, took to the streets to defend democracy. Just 72 hours later, the coup collapsed. And on Saturday, Gorbachev resigned as Communist party chief.

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CANADA

PROMISES TO KEEP

Relations between Ottawa and native groups appeared to take a dramatic turn for the worse after Constitutional Affairs Minister Joe Clark said that some Canadians might feel threatened by native demands for self-government. Native leaders threatened to boycott future constitutional talks.

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BUSINESS

STEELING FOR A SHAKEOUT



Canada's major steelmakers face conflicting pressures in their efforts to revive their fortunes. They have to modernize their operations in order to compete with U.S. and other foreign producers. But after two years of poor sales and depressed prices, they cannot afford expensive programs.

— 40



A Promise For Peace

The revolution that Vladimir Lenin began in 1917, and Leon Trotsky's Red Army solidified in 1922, ended last week in the thundering screams of central Moscow. As eight Communist party leaders failed their attempt to overthrow President Mikhail Gorbachev, Boris Yeltsin, president of the Russian republic, took center stage as the defiant defender of democracy. And

when Gorbachev returned to Moscow after his policies released him from his Kremlin perch, he was warmly and effusively greeted—and humiliated—by Yeltsin. The Communist party began to crumble because Gorbachev, already discredited, was the old system and the two leaders planned to sign a treaty passing major powers to the republics—and away from Moscow's control. The Baltic states declared full, complete independence from the union and, in the space of hours, the U.S.S.R. became almost unrecognizable.

With the Communist party on the verge of dissolution, the remaining issue is how rapidly and how many of the republics will break with Moscow and declare themselves as independent states. There is no doubt that the republics are moving in that direction with great momentum. And last week, military leaders demonstrated clearly that they have no stomach for moving against their own compatriots. Nor would they likely be prepared to fight a civil war to prevent the union's breakup. As a result, the revolution that transformed Eastern Europe from communist men's grip to democracy in less than two years can now focus on the Soviet Union with equal confidence. The world that emerges in the coming months may hold more promise for peace and stability than even the wildest optimist could have imagined at the end of the 1980s.

■ During the postal strike, Maclean intends to serve subscribers for as long as possible through the postal system. If timely delivery cannot be maintained, the magazine will use alternative means to best serve its subscribers.



Maclean Bureau Chief Malcolm Gray in Japan, the Soviet Union became almost unrecognizable.

Kenn Dayle

Maclean's

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LETTERS

WHO IS RESPONSIBLE?

Your Aug. 29 cover story, "Mid-life panic," is a strong reminder to seniors and their children to do some serious thinking, open communication and pre-planning to help lessen the burden of the elderly on the welfare generation. Old age, illness and infirmity can become undesirable burdens for the children of elders.

Daphne Neugeb,
Kamloops

I trust that you feel satisfied now that you have given all to your beloved grandsons a guilt trip for having the audacity to remain alive and burden our children. We are truly sorry for the inconvenience our existence is causing.

David Fisher,
Oregoville, Ont.

A MEMORY DISHONORED

As a Jewish person who had 27 immediate family members murdered in the Holocaust, I find your coverage in "Semi-anniversary" of *Denise* and a historical whitewash (*World*, Aug. 12). The statement "This year is memorial to the scores of thousands of Ukrainians slaughtered by the Nazis" fails to point out that the overwhelming majority of the victims were Ukrainian Jews. Your description dishonors the memory of those innocent children, parents and grandparents.

Frederic Walder,
North Vancouver

TROUBLE IN PARADISE

Y's "Colliding cultures" (Canada, Aug. 12), you pretend the truth about Quebec's James Bay hydro project when you state that "the claims of Quebec natives clash with the province's need to develop its hydro potential." Native claims are real, while the "need" for hydro power exists only because governments actively refuse to seriously support energy conservation.

Dennis Jensen,
Melville, Sask., Alta.

The Quebec government's determination to forge ahead with the James Bay hydro project, irrespective of Cree and Inuit opposition, shows a surprising lack of cultural sensitivity, given Quebec's own history as a colonized society.

Tylerne Joseph,
Woodstock, Ont.

"Colliding cultures" fails to mention two important points. First of all, a large portion of hydroelectricity generated in Quebec is exported under contract to New York state. And secondly, recent public demonstrations in that



Lower-bowling seniors' 'senious thinking'

state have attempted to pressure Gov. Miron Comtois not to honor the hydro contract out of concern for the potential effects on the Cree and Inuit peoples of Quebec, as well as on the environment.

Tom Brundage,
Albion, N.Y.

PASSAGES

DIED: Montreal-born actress Colleen Dewhurst, 67, of cancer, at her home in Lewisham, N.E. The Broadway stage star was known for her depictions of formidable and often tragic heroines in the works of Eugene O'Neill and in the starling *Melba* Cuthbert in CBC TV's *Anne of Green Gables*. She was captured in movies and, most recently, in TV's *Wanda Dorn* as the title character's mother, *Joany*. In 1974, Dewhurst won a Tony award for best actress for her portrayal of *Joan Harper* in a revival of O'Neill's *Mosses from the Mountains*. Her film included *Woody Allen's* *Annie Hall*. Dewhurst and actor George C. Scott were married and divorced twice.



Colleen Dewhurst, 67, died of cancer.

BORN: Bradstreet: novelist, singer and songwriter Ray Seamus, 54, of an apparent heart attack, at a Toronto hospital. Longtime Sonny's weekly *Colony All-Right*, a mix of music, news and sports from the United Kingdom, aired over the southern Ontario radio station CFRB on Saturday nights from 1968 until three days before his death. Queen Elizabeth II made Seamus a member of the Order of the British Empire in 1984.

RETIRED: Longtime Broadway producer and director Joseph Papp, 73, whose list of shows included *Man of the Year*, *A Chorus Line*, an artistic director of the New York Shakespeare Festival, which he founded in 1966. Papp, who retains his title of producer, appointed his associate director, Jeanne Alexander, 54, to replace him.

A 'CONTROVERSIAL' ISSUE

In Montreal (Canada, Aug. 5), an item about the shooting death of a white police officer on the Grassy Narrows Indian reserve in Ontario caused the headline "Northern tragedy," while the shooting death of a young black man, allegedly by a Montreal police officer, is called only "A controversial death." Is it any wonder that minority groups feel slighted by the Canadian media?

Maggie and John Boffin,
Melbourne, Australia

Regarding "A warring rage" (Canada, July 26), I believe that one of the major causes of racial minorities in Canada is a lack of proper education. Ignorance is passed down through generations. If we only showed our country's youth how fortunate they are to have a mosaic of cultures, they would discontinue passing on stereotypes. It is ironic that the human mind is powerful enough to create high-tech equipment, yet is unable to overcome relatively simpler moral problems.

Angela Lombardi,
Montreal

Letters that are continued: Please reply using address and daytime telephone number: Steve Lerner is the Editor. Mailing address: *World*, 127 Bay St. Toronto, Ont. M5H 2K2. Phone: (416) 593-2788.



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Maclean's

THE WELL-INFORMED CHOICE

LETTERS

BATTLE OF THE SEXES

I (Fred Bruner) did not like *Thelma & Louise*, that is fine—he is entitled to his opinion—but I resent his dismissing anyone who did ("A lovey dovey for women—and men," *An American View*, Aug. 14). He recommends two foreign films, but never what he obviously perceives to be a well-versed general public that the films have subtitles, and to "be better." Thanks for trying not to misrepresent from the theatre back home to the comfort of *Thelma & Louise* screens.

David Brooks,
Toronto

I am a man who is tired of all the *Thelma & Louise* backlash. Still, even now as the film sits quiet, but not once does anyone in the film say that affairs are. It is interesting that the same men who dislike the movie for its supposed antisocial message seem to have no problem with the *Godfather* trilogy, to take one example, which depicts wife battery as a sign of masculinity. Come off it, guys—*Thelma & Louise* is only a movie.

Peter Goss,
Scarborough, Ont.

DOLLARS AND SENSE

Peter C. Newman's column "Rent a big raise? Move to America" did not present all the facts (*Business Watch*, Aug. 14). Canada is a better country to live in partly because of the services our additional taxes make possible. We provide medical benefits to all citizens, our colleges and universities are less expensive than similar American schools and we have superior welfare and unemployment insurance programs. Furthermore, while taxes in Canada are higher, wages in many sectors are on average higher, especially for the Canadians that Newman chooses to ignore: those earning less than \$180,000 annually.

George Pepper and Garth Jay
Richmond Hill, Ont.

There may well be economic advantages for "executives, senior professionals, entrepreneurs and top scientists" to move to the United States. But for the vast majority of Canadians, there are no advantages. Is it a surprise that a house costs less in Toronto than in Chicago? There is a housing glut in Toronto these days and construction costs, given the climate and cheap labor, are always lower. There are poor highways and poor public libraries, there are high crime rates, schools fail to take steps for their lab equipment. To compensate, though, there are cheap liquor and cigarettes, drugs and guns. Envy.

Carol Ross
Mississauga, Ont.

HOW TO COOL DOWN AFTER LOVE.



OPENING NOTES

Colin Powell takes the helm, Peter Mansbridge charms a four-footed audience, and Bob Rae surveys his staff

CLOSET QUERIES

Bob Rae, the NDP premier of Ontario, confidently declares that no individual's sexual orientation is a private matter. But Queen's Park insiders say that one senior official in Rae's government appeared to take a different approach earlier this year. A source close to Rae confirmed that Richard McLochin, executive director of the premier's office, sent an internal bulletin to all 28 NDP cabinet ministers and their executive assistants asking them to review details of the number of "openly gay men and lesbians who are employed in ministers' and parliamentary assistants' offices." The memo went on to say that the ministers should report their findings to McLochin's office. But at the time, at least one cabinet minister, who requested anonymity, balked. "I wasn't going to make any assumptions," he said, "and there was no way I was going to risk my staff." McLochin could not be reached for comment, but Dean Williams, a spokesman for Rae's office, said that the memo was only meant to assess employment equity in the government.

Rae: taking stock of homosexual revelations?



Photo: Peter G. Evans

Taking a page from history

During last week's debut third coup in the Soviet Union, it often appeared that NBC Pentagon correspondent Fred Freeris was judging events by the cover of the books that were visible in his office during his frequent broadcasts. When the hard-liners first declared a state of emergency, Soviet Military Power appeared on a shelf behind Freeris. The next day, the book at view was *History of the KGB*. Finally, when the coup crumbled, *Night Face* took its place. *Isolated France*: "It's been an extraordinary run of events, and I hate to be brittle. But if you don't make use of yourself, you can't do this job."

A NEWSHOUND'S DELIGHT

For Shea and Toller, two of Canada's top golden retriever stars, the race of the national news anchorman Peter Mansbridge is a great experience. When his image flickers across a television screen that is positioned in front of them, the two dogs happily wag their tails and begin snoring with female golden retrievers that have been flown in from Toronto's suburbs across North America. The owner of the males, Karin Klossner, a breeder from Shelburne, Ont., says that the two champion dogs like Mansbridge so much that when he lowers his head



Mansbridge: his debut roles

Freeris shows order



Photo: Peter G. Evans

was to unfurl: a Yagor of dogs—was excited somewhere in the world, the dogs quickly trace up and their mating gaze is sometimes delayed well into the journal, or even the local television news. But usually when the journal's longtime host Barbara Frum comes on, the dogs seem snuffed and their snoring often appears to slow considerably. "Things go much better when Mansbridge mouth yagor," said Klossner. "The dogs are used when the news is sporting." Once upon, the happy couples like nothing better than to cuddle up to their ball, shovels, and rifle by watching what remains of *The National* and *The Journal*.

A FORGETTABLE NIGHT ON THE TOWN

It was a meeting of true minds. Nick Auf der Mauer, Montreal's notorious columnist and municipal politician, met recently with Ontario's own hot boy, now seen Peter Karmen, who lost his cabinet post last March after peering on the Toronto Star's scandalous Senator Roy. The evening took place at 100 rue de la Montagne, in the downtown Montreal bar called Greeny's. Later, Karmen, who was in town taking French lessons (he decides that he has federal political ambitions), told that Auf der Mauer is a politician with a sense of humor. He called him "a maverick, and an iconoclast who is obviously a very effective politician." For his part, Auf der Mauer was vague, saying: "He seemed like a nice guy. But I don't remember what we talked about. It was late."

Companion wanted

Madonna, who often complains that she has difficulty meeting interesting men, is getting a little help from an



Madonna: a little help

anonymous source. A close friend of that recently appeared in *The Village Voice*, a New York City weekly newspaper, begins: "MADONNA: My wealth & fame may be over-give in comparison, but it is all I will ever need." It ends with the plea "Wanna go out?" and gives a post office box number. Lisa Rosenberg, a spokeswoman for the star, said that Madonna has not seen the ad.

Montreal's bilingual baseball stars

Two members of the Montreal Expos baseball team, which last week made 22 games back in the National League East, are gaining popularity as a French-language radio show. Each weekday morning, from 10 to 11 a.m., they host the show on the popular two-weekend program on CMC featuring Larry Walker, an outfielder and first baseman from Maple Ridge, B.C., and Marceau Gosselin, an outfielder from Atlanta, Ga., taking French lessons from broadcaster and former teacher Roger Bédard. The players have learned how to pronounce the play-by-play of a home run in French and to master such simple phrases as "Here do I get to Olympic Stadium?" said Bédard. "Some broadcasts have left people crying with laughter." Unfortunately, the team's performance on the field has left fans just plain crying.



Photo: Peter G. Evans

Gosselin (left), Bédard and Walker: learning and laughter

EX MARKS THE LEADER

Madame Tenssion's Rex Museum in London explicitly demonstrated the willingness to recognize Mikhail Gorbachev's leadership to the annals of history following his temporary removal from office last week. Shortly after the short-lived coup, officials changed the label on an statue of Gorbachev to read "Ex-president of the U.S.S.R." For two days later, they wisely removed the "Ex." Said Steve Anwar, a museum spokesman: "It reflected the situation in Russia at the time." She added: "We weren't trying to make history or anything."



Photo: Peter G. Evans

Not a drop in sight

Some global experience. Americans in Riyadh, Saudi Arabia, have developed a unique career opportunity for former Desert Storm troops and war veterans. The members of the Noble or Najib or Bin Laden Society of Arabian Captains (NABIC) are offering free commissions. And although there are no rivers in Saudi Arabia, the perpetration of the job are apparently impressive enough to attract Chairman of the Joint Chiefs of Staff Colin Powell, whom the group claims as a member. Arabian Riverboat Captains are entitled to such privileges as priority over so-called ships of the desert (such as) highway crossings and access to all legal alcoholic beverages in Saudi Arabia (there are none). Caroline Page, a spokesman for Powell, said that she could not confirm that the general accepted a commission from NABIC. Said Powell: "He's a pretty busy man these days."

Powell: questionable Arabian privileges



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COLUMN



Expensive and dangerous myths

BY DIANE FRANCIS

A lower crime rate and access for everyone to health care make the quality of life in Canada measurably more agreeable than that enjoyed by most residents south of the border. But contrary to popular mythology, our medical system, its commitment, its flawed. While no one is a hot night stand, least of all me, would ever want to adopt a system as austere, unkind and expensive as the U.S. system—which tries to maximize drug-free-market principles—let's not kid ourselves. Canada's medical system is one sick puppy and our provinces, which manage it, but better had a cure.

Ironically, the fiction that Canada's system is well-matched is perpetuated by U.S. immigrants itching to leave the United States into the 20th century through public health care. While the Americans should be admired of themselves for not bringing care to everyone as we and virtually every other industrialized country here, Canadians should not be misled. All publicly funded health systems should draw a handful of lessons from the free-market approach of the United States.

The first problem with Canada's system is that it imposes no responsibility on either patients or providers of services to be paid as they use of facilities and services. Totally unopposed and paid placed, our medical system is wasteful and is destined, this decade, to result in wholesale raising of services and consequent increases due to our aging population. The system is inefficient because there is no competition, nor are there any built-in incentives to save money while achieving results.

The result is abuse. And we are all guilty wherever we opt for an overnight stay in a hospital either for our patient care, get grandmother in a nursing home when we could look after her at home, run to a doctor for a toothache rather than spend a day or two in bed, or insist on second and third opinions without regard to the cost. We are over-doctored, over-served and overloading.

Proponents of Canada's medical myth should

Canada's medical system is one sick puppy, and the provinces that manage it had better find a cure

contemplate the fact that our costs are growing exponentially and are now the second-highest per capita in the world, after the United States. According to the Department for Economic Co-operation and Development, the United States spent \$2,683 per person in 1989 on medical care despite the fact that some 25 million Americans have no health insurance at all. Canada spent \$1,214 per person, compared to the next highest cost, countries like France, at \$1,462, Germany, at \$1,454, or Japan, at \$1,179.

Japan gets the highest bang for its buck with longer life expectancies for both males and females plus lower infant-mortality rates than any of the 34 developed countries that belong to the OECD. Of course, such statistics belie the fact that education, pollution, culture, lifestyles, diet and the degree of poverty are equally important determinants of the health of a nation. Put another way, an ignorant, junk-food, chain-smoking citizen can spend a lifetime in health care without one cigarette in life span. Education is preventive medicine.

Another factor in costs is demographics, or the population's racial diversity. And it is not the report that Canada has a great deal to be worried about. No satisfaction should be drawn

from the fact the Americans spend nearly 40 per cent more per capita on health care. Much of the difference is due to the fact that their population is older than ours, demographically speaking, which gradually affects costs. In fact, Canada is one of the youngest countries among the OECD members and yet has the second-highest health costs. If demographic apples are compared with demographic apples, Canada probably has the world's most expensive health-care system—an overhead that is already lowering our living standards by swelling government deficits and causing economically high taxes.

The United States has 30 workers for every physician, while Canada has 4.5 workers for every physician. This is not important to two Canadians. Workers bear the cost of the system through income taxes. The number of physicians is critical because they are health services significantly more than younger citizens. People over 75 rack up 16 times more medical expenses than people between 50 and 54 years of age. Obviously, the growing of Canada has grave implications for our economy as costs will soar this decade as the already overstrained system is put on the critical list.

Some 40 per cent of Canada's \$41.6-billion publicly funded health tab is borne by Ontario in the form of transfer payments to the provinces. But the management of health care is up to the provinces. There are small moves towards responsibility. Some provinces, like British Columbia, require an annual care fee in the form of a premium. Alberta is considering sending regular statements to users so they could have much they have benefited from the system, while Quebec is studying whether to make certain medical benefits a taxable benefit, thus costing the wealthy more and exempting the poor or uninsured. But most are doing nothing.

The venerable, Economical magazine says that the fees for services provided by private doctors, used in Britain and Canada, are scripted because it encourages over-seeing and over-billed by patients who are not directly charged. It suggests instead that doctors be organized into groups, which would serve a large number of patients. They could choose a group position, just like Canadian doctors, their general practitioners. The doctors would be paid in some set amount based on the number of patients in that group. Doctors would be motivated by patients would be motivated by those who rarely used the system. If they keep their patients healthy and then are few less to treat in their offices, the doctors must make a lot of money. This scheme—known as Health Maintenance Organizations (HMOs) in the United States—would decrease medical office visits, hospitalizations and testing. It would get to the root of the cost problem, which is the lack of incentives to make the system efficient as well as effective.

But to notice what our doctors/health maintenance principle as costs, the system itself first be seen for what it is. The few Canadians agree with the diagnosis that our system is seriously ill. And unless we all agree to shut down and scrap the mythology, there's little hope for the patient.

PROMISES TO KEEP

NATIVE LEADERS SAY THAT OTTAWA IS RENEGING ON ITS SELF-GOVERNMENT COMMITMENT

As unexpectedly as Ottawa had offered its hand to Canada's natives, Joe Clark last week appeared to withdraw it. In proposed negotiations between the federal minister for constitutional affairs and Indian and Métis leaders (Newsweek) during a seven-hour session at July between Clark and Ovide Mercredi, the newly elected national chief of the Assembly of First Nations (page 50). Both men claimed to have developed a new spirit of cooperation. Mercredi, newly elected, declared that Clark had invited native Canadians to participate as "equals" with the provinces in the negotiation of a new constitution. Then, last week, the situation changed dramatically. Clark told Métis leaders in St. Albert, Alta., that other Canadians "could feel threatened" if the government agreed to their demand that native rights to self-government be recognized in the Constitution. Two days later, Mercredi threatened to boycott future constitutional talks entirely.

The result was a sudden chill between Ottawa and the leaders of Canada's 1.25 million natives. Sen. Peter Kuczynski, chairman of the native studies department at Trent University in Peterborough, Ont. "The two sides are now sticking out their butt!" But in contrast to last summer's confrontations between armed Métis and federal and provincial security forces at Oka, Que., and in Montreal, analysts said that there is now widespread support for settling native problems. Added Kuczynski, "This year, there is an appreciation on the part of the Canadian public about the seriousness of native

issues." At the same time, groups in Europe, the United States and the United Nations are pressuring Ottawa to settle its native problems.

For three part, the new provincial programs, awaiting at Whistler, B.C., this week planned to talk to leaders of four national native groups about constitutional issues. Quebec's Robert Bourassa is reportedly provincial constitutional discussions. Under this month, Ottawa officials acknowledged that natives do have the right to self-government—and added that a new constitution should make that clear. Natives will also have a formal opportunity to lay their grievances before the federal government when the Prime Minister's Office announces the membership of a Royal Commission on Aboriginal Affairs, first promised last spring. "Self-Government: Native Affairs expert David Rowles: "Last summer, there didn't appear to be any opportunities for solving the problems. This summer, there are."

At the same time, Canadian natives are taking their domestic complaints before international bodies in Europe and the United States. Representatives of Quebec's Cree complained earlier this year to a UN working group studying indigenous peoples that the province's plans for a massive new hydroelectric project in the James Bay region will endanger their traditional lifestyle. The Geneva-based UN group has not made its conclusions public. But last month, two other UN agencies criticized the provincial leaders for what they said was a failure to consult native Indians during planning for hydro developments.

Quebec's determination to expand its southern hydroelectric operations over the objections of natives is also drawing critical attention in the United States. Officials of the energy committee of the New York state assembly announced last week that hearings will be held in September on the \$17 billion worth of hydroelectric contracts that the state has signed with Hydro-Québec. A committee spokesman said that the hearings could lead to a postponement of the 20-year contract.

Indeed, Parti Québécois Leader Jacques Parizeau, citing the sympathetic feeling that Quebec's Métis and Cree

have received in other countries, last week urged the Bourassa government to resolve its differences with native Quebecers. Declared Parizeau: "These things are being discussed in Ottawa, New York, Geneva just about everywhere but here. We look down foolish." For his part, Quebec Government Minister Pierre Paréau appeared to bow to the mounting pressures, announcing last week that continuation of the \$12.5-billion Great Whale project would be held until the completion of a full environmental assessment.

Quebec has clearly become a critical focus of native concerns—both for its treatment of native groups and for its status at the planned constitutional talks. Mercredi last week underscored native desires to be treated as equals with Quebec in the talks. Said the native leader: "The federal cabinet should look at itself as an advocate for the native people as well, and not just for the province of Quebec."

But in his St. Albert speech, Clark outlined the limits of Ottawa's willingness to advocate native goals. He declared that only elected federal, provincial and territorial officials would have a direct role in constitutional talks. In later comments, he added that native leaders themselves are divided in how to proceed—in a conduct a parallel process that Clark advocates to enable them to develop a common position and make their recommendations to his cabinet as a parallel process. But Mercredi and other native leaders demand that marriage. Declared Yves Robitaille, president of the Native Council of Canada, which represents 750,000 Métis, non-status Indians and status Indians who do not live on reserves: "I don't think aboriginal people are divided, although some people would like to think we are."

At the same time, Robitaille was sharply critical of Clark's apparent change of view. The federal minister, he said, Mercredi's had "been seen to be going from one side to the other" on the issue of native participation. And he declared that Clark "will be taken to task in the very near future" if natives conclude that he has not been listening in good faith.

Some native leaders claim that Clark initially took a more liberal position towards native participation than the rest of the cabinet was willing to support. One senior native official, who requested anonymity, told Mercredi that Clark had "created expectations he cannot fulfill." For his part, Mercredi, Tremblay and Liberal strategists agree that Clark's bluntness showed that Clark's constitutional initiative reflects "a Quebec-driven process" that could generate sharp native opposition. Declared Mercredi: "Native people will not have their agenda reflected again by the cabinet."

Still, the divisions between Ottawa and native groups may be temporary. For his part, Clark seemed to meet native leaders—including Mercredi—in this week. And some analysts said that after such confrontations, the pressure may become powerful new allies for the native cause. Said Rowles: "The native leaders will never achieve their objectives as long as the provinces are on the other side." Still others looked to the forthcoming royal commission on native issues as a critical means of reaching long-standing grievances between the First Nations and the federal government.

Mercredi also held out on one branch to Clark. Said the native leader: "We all enter into statements that we might after a while. I've done it, too. We can walk together, as the elders say. The objective is to build a country and to heal a people."

GLENN ALLEN with K. KATE FULTON and RANBY WOOD in Ottawa



National Notes

A SHREDDED LIGHT

Federal Environment Minister Jean Charest announced that the federal government will not exercise its legal right to stop construction of Saskatchewan's controversial Minto Dam, even though Oka has not completed a court-ordered environmental assessment. A consultant's report delivered to Charest concluded that delays in construction could result in widespread flood damage in the spring.

LEAVING THE HOT SEAT

Winnipeg Police Chief Herbert Stephen said that he will resign in February, after eight years at the helm of a police force that has been the object of intense criticism. Much of the criticism during Manitoba's Aboriginal Justice Inquiry, which is now in its report, was focused on the 2004 Winnipeg police shooting of Indian leader J. J. Harper and seven other police officers. Another inquiry, which ended in January on July 26, accused why the police arrested Harvey Pollack, the Hagan family lawyer, on several months' charges that was later dropped.

INDIAN-DRIVEN SPECIES

In its annual listing, the World Wildlife Fund added 13 members to the list of endangered species in Canada. Among the new entries on the 213-page list, polar bears, grizzly bears and the eastern grey wolf were added.

REFUGEE AT LAST

An Iraqi couple held for two months in security risks after they arrived in Canada a week before the Jan. 15 start of the Persian Gulf War were granted refugee status. An Immigration and Refugee Board panel concluded that the man and his pregnant wife, who are now in Canada, had been persecuted by the Iraqi government.

CHARGES AGAINST A TOUR

The RCMP charged Michael Tremblay, Conservative MP for the Quebec riding of LeBellevue, with defrauding the House of Commons of \$5,000. The money was allegedly used to pay for a trip to Mexico for six members of Tremblay's riding association.

RISING VIOLENCE

According to a study by the Canadian Centre for Justice Statistics, the violent crime rate in Canada increased by 59 per cent between 1975 and 1989. The study found that almost all categories of violent crime experienced an increase. The exception, the domestic market rate, which declined by 38 per cent.

A race for second

New Brunswick's premier calls an election

Frank McKenna, New Brunswick's long-looking, methodical premier, says that he does not like to leave anything to chance. On May 1, he alerted his Liberal party's provincial election lists to prepare for a campaign season later Aug. 15 in the months that followed the federal leadership candidates and last strategies for the political battle ahead. Then, last week, McKenna made the campaign official, writing a provincial vote for Sept. 23. That date falls three weeks short of the fourth anniversary of the province's last election, when New Brunswickers named former premier Richard Hatfield's scandal-ridden Conservatives out of power in a stunning upset that gave the Liberals all 58 legislative seats. Still, McKenna said last week that he and his party cannot afford to be complacent. Declared the premier: "Winning every seat in 1987 was a freak accident. We are taking nothing for granted this time."

But the Liberals enter the fall campaign riding a wave of severely diminished popularity. And McKenna and his government have accepted much of the animosity that many Canadians feel about recent political parties. In fact, a poll released last month by Fredericton-based Research Council Research Ltd. showed that 53 per cent of New Brunswickers would vote for the Liberals. Only 29 per cent favored the Conservatives, while 13 per cent supported the New Democrats and 13 per cent the right-wing, pro-English-language Confederation of Regions Party. That could change dramatically in the campaign itself. For even political opponents privately acknowledge that the only real issue may be which party emerges in the official opposition after election day. David Underwood of New Brunswick political scientist Donald Desrosiers' "In the moment, this is a race for second place."

The Liberals have maintained their popularity by carefully giving few policies. Concerned about being labelled an arrogant upper government, they have clearly tried to respond to public opinion by consulting intensively with various groups. In one instance, McKenna, 43, allowed Sir Lester B. Pearson, 72, who recently retired as the University of New Brunswick, and newly chosen Conservative party leader Dennis Cochrane, 48, who served as the federal MP for

Moncton from 1964 to 1968, to participate in legislative debates by presenting questions during Question Period and appearing before legislative committees.

Analysts also note that the Liberals have avoided presenting its ideological vision by their pursuit of moderate policies that have attracted low voters. Among their initiatives during the



McKenna: "We are taking nothing for granted"

past four years, including a kindergarten program to the provincial school system and new environmental legislation, including a law requiring all beverage containers to be recyclable or refillable. These measures cost-cutting measures may not hurt the Liberals. Indeed, the usual dramatic cutbacks—averaging selective agreements in March to freeze civil-service wages for a year—went the government to many voters as critics among New Brunswickers. Declared Liberal stockholder Ste-

phen Giroux, the owner of a small inn in Saint John and a former Tory supporter who voted Liberal in 1982: "They have lost the guts to make tough decisions, which had to be made." Meanwhile, the Liberals have largely escaped the type of embarrassing scandals that helped bring down Hatfield's administration. The one exception also occurred earlier this year of partisan hazing parties by members at the provincially owned New Brunswick Electric Power Commission, a traditional vehicle for patronage appointments. In response to the charges, Liberal M.A. Rishard Desautel resigned from his cabinet-level job as the power chairman and the allegations are now under investigation by the RCMP. But the Liberals benefit the political balance from the other side as an invisible overlord of the power management.

The well-financed Liberals plan to enter their second race the focus of the current campaign. Their platform stresses job creation, further reform of the province's education system and improvements in its transportation system. Declared McKenna via radio that he will report during the campaign: "It is better to have the government you know than the opposition that you don't."

New Brunswick's other political parties face an uphill struggle after four years of exile from the legislature. In June, the Conservatives may have taken a step towards recovery by electing the outgoing Conservative, a former school principal and mayor of Moncton, as their leader. But the government's most powerful critic since its first term has been the 1982's winner who plans to run a full slate of 58 candidates. Still, at University of New Brunswick political scientist, Gerald Granger noted, "New Brunswickers have traditionally been reluctant to support social democracy."

At the same time, the emergence since the last election of the anti-bureaucratic Confederation of Regions (CoR) Party has further complicated the political picture as a protest against the threat of the moderates are French speaking, away from Atlantic Canada. The party's right-wing platform—Call it calling for the elimination of official bilingualism and for tighter immigration controls—has won over some disgruntled Tories. But with the still more direct parties supporting the province's officially bilingual status, language is not expected to emerge as a major issue. Still, Granger, for one, said that CoR could well win few seats as anglophone areas—an outcome that would be a disaster for the province. However, the political world shift, the Liberals seem overwhelmingly likely to return to power—though in a legislature in which they face an elected opposition.

JOHN DEWITT



Mail-sorting station in Toronto: a history of poisonous relations

Trouble in the mail

Canada Post's problems are deep-seated

For the 12th time since 1965, postal workers took to the picket lines as a workers' strike has become all too common for Canadians. The current action involving the country's 45,000 postal workers and their managers was fuelled by money and job security. Also familiar was the issue of outright hostility. "The parties are not speaking," noted mediator Max Laprise commented in an Aug. 12 report to the federal government. "They are backing away at each other." Canada Post Corp. and the Canadian Union of Postal Workers (CUPW), he added, viewed each other with "contempt, if not palpable hatred." At week's end, the otherwise hostile battle took its toll. Even so, last month's contract negotiations continued into the weekend, postal workers across Canada walked off the job in a series of rotating strikes. In some instances, scuffles broke out on the picket line, underscoring widespread warnings that a protracted strike could well be better. Declared CUPW president Jean-Claude Poirier: "There was no other choice than to put some heavy pressure on Canada Post."

In fact, the dispute that threatened the delivery of bills, personal letters, down-to-earth advertising, newspapers and magazines may sound closer than the first of instant language. Since its transformation from a government department into a Crown corporation in 1981, Canada Post has increasingly relied staff on private business. Directed by the Conservative federal government in 1986 to

end decades of losses, Canada Post president Donald Lester launched an ambitious cost-cutting program, turning over many operations to outside contractors, consolidating services and reducing reliance on full-time employees. Under the leadership of Lester, CUPW has rejected Lester's vision and the measures designed to implement it, insisting that the post office operate as a public service. Poirier has fought aggressively to protect existing jobs for union members—and demanded additional cash.

But even that difference does not entirely explain the history of poisonous relations between Canada Post and its workers. Said John Berens, an expert in industrial relations at the University of Toronto: "There are lots of companies for whom money counting but the bottom line. But they aren't faced with this embedded culture of confrontation. There are beliefs and perceptions [on both sides] that go far beyond the immediacy of this contract, no matter what the terms." Berens and other analysts trace those poisonous differences to a period just after the Second World War, when Ottawa found work for hundreds of returning military officers as post office managers. Their authoritarian management style antagonized postal advertising, newspapers and magazines men, though eventually led to mass layoffs. New hires suffered in the 1960s, as the post office introduced more mechanized mail-sorting techniques. Then, with Lester's drive to cut costs, Canada Post closed rural post offices, privatized away rural operations and contracts

ed out some delivery services. The steps have put the corporation in the red since 1983. Last year, it returned a profit of \$14 million to the federal government from revenues of \$2.7 billion, but further slashed associated employees.

Even since the last contract between Canada Post and its employees expired in July, 1985, Lester's company opened the current round of talks. For one thing, CUPW has shored up the 22,000-member Letter Carriers' Union and the other smaller postal unions. According to participants on both sides of the dispute, the sheer complexity of writing a single new contract to cover so many formerly independent businesses with its shared operations to a crowd, besides, the two sides started with more than 300 separate demands to review. By the time Lester called his report, they had been whittled down to 29 major and minor issues, including the most contentious ones of job security and staffing on which last week's talks broke down.

For Poirier, the merger has had mixed results. With his newly expanded membership, he is in a position to shut down almost every post office operation, thus saving money costs to delivering mail. At the same time, many former members of the Letter Carriers' Union remain dissatisfied with CUPW—the point that many supported a short-term deal on the postal issue in the spring by the International Brotherhood of Electrical Workers. Poirier now has to satisfy both his more militant traditional workers and the more moderate letter carriers. Pressure to do so, observed William Kelly, a former chief federal labor negotiator, "makes it more difficult to find solutions that will appeal to everyone."

For its part, Canada Post's managers said that they were prepared to meet whatever demands Poirier contemplated. Meanwhile, large numbers of employment agencies and union-based companies placed advertisements for casual workers as newspapers across the industry, and some job descriptions clearly outlined those of postal workers. Canada Post spokesmen insisted that the corporation was not hiring replacement workers directly, they did not rule the action out. Said Deborah Sauter, an Ottawa-based manager of media relations: "We will rely on whoever we have to in order to keep the mail moving."

A precedent for that was set during the last strike by CUPW in 1987. Canada Post found as the hundreds of replacement workers that it had hired and sent helicopters to move mail out of some major sorting plants over the heads of pickets. The strike was ended when Poirier ordered striking employees back to work. Now, a lasting solution to the labor problems of the post office will likely require more than a single contract settlement.

BRIAN BEEBEAN

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THE LAST RITES OF COMMUNISM

THE DEFEAT OF A
HARD-LINE COUP
BURIES THE
HAMMER
AND SICKLE

Soviet communism, the political powerhouse either revered or reviled for most of its life, died last week without fanfare and spreading democratic sentiments. Jolting greeted its passing, which was marked by the flight of coup plotters who had tried but failed to reverse communism as a political force. It was 72 years old.

It is served by 16 million party members, some of them insisting that it is not really dead, but by fervent followers in China, Cuba, North Korea and a few other places. But in the Soviet Union, the place that gained power when the Red Guards stormed Petrograd's Winter Palace in 1917, that wielded its hammer and sickle over the enormous nation for most of the century, succumbed on Aug. 21, 1991, when the coup collapsed. Three days later, Soviet President Mikhail Gorbachev spoke the last rites, not only resigning as party leader but calling for the dissolution of the policy-making Central Committee.

The party's final political act was a coup-makers' amateur hour. The perpetrators, eight gray men to seclude with struggle faces of Gorbachev's ill health, then were attacked by a mass epidemic of mobster violence.

Anti-coup protesters atop a Red Army tank in Moscow: Soviet people power



themselves. They did not silence the media, a must-do on the plotters' handbook. They did not lock up the opposition, in particular Boris Yeltsin, the lightning leader of the Russian republic. They seemed almost embarrassed by their cause, acting not in the name of old-line communism but of law and order, and they insisted that they were reformers, too.

The Soviet people—or enough of them to turn the tide—knew better. The people, who still recall years of no history of democratic reform, who had remained markedly apathetic even as their Eastern European neighbors toppled one Communist government after another—those same people thronged into the streets, chanted defiance, threw up barricades, stood in the way of tanks. Many Soviet soldiers refused to turn on their countrymen, while the much-feared KGB seemed confused and footless. That is what the bungling Gang of Eight

ultimately accomplished: they showed the world—and perhaps the Soviets themselves—how deeply the reformist idea had become embedded in the national psyche, how essential communism really was.

But it was Yeltsin, who taught that lesson most impressively. Heerly, bellicose, shouting theatrically to the top of a tank, Yeltsin stroked the accents of many Moscovites who, at least in the coup's stunning first day, seemed outraged or openly terrified. He was a toughly elected president and his constituents welcomed him as a savior. And when the coup crumbled, Yeltsin, unveiling a new Russian flag, seized Communist party property, was unconcerned by the loss of the bear, while Gorbachev, his longtime rival, was a traitor on the spot.

Gorbachev, the adroit and enigmatic politician who has already established himself as one of history's giants, returned from Crimea quietly with his office restored but with key questions unanswered. Critics wanted to know why he had surrounded himself with such a treacherous team. Some even accused him of pandering to the coup itself. At the very least they asked, now that the old guard had been vanquished, whether he would finally abandon the middle road for fast-track reform. But to all those who contended that his political career was over, that history had passed him by, Gorbachev's resignation as party leader—one day after stating that he was a committed Communist—was an elegant answer. He had made sterling status before; he could do it again—and prosper.

For Western leaders, the week's events produced a heart-stopping scare. They realized, or perhaps never before, how much of their foreign policy depended upon Soviet intervention and, to some extent, on Gorbachev himself. The superpower arms-control accord, the freedom of Eastern Europe, even the prospects for a Middle East peace conference—all seemed imperiled by the hard-line takeover. By the threat of Soviet armor crushing protesters like the Chinese in Tiananmen Square. Now, in their ultimate clash, Western leaders will have to decide whether to be generous in flows of aid, speed reform and strive for national collapse.

The Soviet people, meanwhile, were already discovering the lighter side of this traumatic three-day. The cooperatives across the land, once scornfully accepted but by Tiananmen-type freedom-lovers led by Woody Allen. How else to explain after the coup's failure, fear of its outcasts flying to the Crimea, apparently to plead for Gorbachev's forgiveness? Or the Communist party continuing the coup—“barricade after it ended? But Soviet-style People Power showed its worth, as well—Moscovites pulled down the mammoth bronze statue of Soviet police founder Felix Dzerzhinsky. The statue was a symbol of state terror, of a Communist system that had oppressed, imprisoned, deprived and even killed its citizens, and that in one remarkable week in August, breathed its last desperate gasp.

BOB LEVIN

World Notes

THE AMERICAN POGROM

Many trapped in the Crown Heights section of Brooklyn, N.Y., after a car driven by a Hasidic Jewish man went out of control, killing a black child, seven-year-old Gregory C. Little. That night, black youths allegedly stoned a 19-year-old Hasidic Jew. New York Times: "apparently the craziest pogrom that went, crowds of angry blacks yelled racial epithets and hurled bricks and bottles at Hasidic Jews and police, and at the head-quarters of a prominent Jewish sect. Some Jewish residents fled in violence. 'The first American pogrom.'"

SUSPECT SARCISIS

The prime suspect in the May 21 assassination of former Indian prime minister Rajiv Gandhi, slain after a shooting with six associates after a three-hour gunfight with police in the southern city of Jamshedpur, was a Sri Lankan Tamil, was suspected of masterminding the plot in which a woman suicide-bomber killed Gandhi at an election rally.

CONVICTING A KILLER

A jury convicted Cuban immigrant Julio Gonzalez for setting the fire that killed 87 people in the Hippie Land Social Club in the Bronx, New York City, on March 25, 1990—one of the worst mass murders in U.S. history. Gonzalez, 37, who spent the only sentence in the club with a \$1 case of gasoline after arguing with his girlfriend, faces up to 25 years in prison.

DISRUPTED VICTORY

Mexico's ruling Institutional Revolutionary Party (PRI) swept national congressional and state gubernatorial elections. But independent observers and opposition leaders denounced the vote, saying that ballot-box stuffing, repeat voting and other irregularities can doubt on the results. The PRI has won almost every major election since 1929.

SHATTERED TRUCE

At least 70 people have died in mortar and machine-gun battles between Croatian paramilitary forces and members of the republic's atheistic Serbian autonomy since Yugoslavia's Aug. 7 constitution, according to the national commission appointed to monitor the truce. Meanwhile, members of the country's fractious collective presidency warned that Yugoslavia would no longer be able to meet its international financial obligations if fighting continued. And Croatia's defense minister said that the republic's army was launching an offensive against Serbian guerrillas and the military on its territory.

RED IS DEAD

The roaring crowd of thousands, euphoric over having defeated a coup by Communist hard-liners, the instant status of Soviet all-enemy-of-enemy leader, Boris Yeltsin, in front of Moscow's main headquarters was an irrefutable target. First, they painted the word "treason" on the red granite lion. Then, the demonstrators tried to topple the 14-ton figure using cables attached to a small bus. Finally, shortly before midnight, while jubilant onlookers waved the historic white, blue and red flag of the Russian republic, five cannons blasted the statue by one side and lowered it into a fishbed truck that hauled it away to be melted down. Everything it got, says Chernomyr, a retired schoolteacher whose father died in a Stalinist forced-labor camp in 1940, declared "We cannot have monuments to the murderers of millions of people." On Sunday, crowds prepared to tear down an even more venerable lion, the statue of the founder of the Communist state, Vladimir Lenin, near the Kremlin. The scenes were reminiscent of the breaching of the Berlin Wall at November, 1989. And at the end of the tumultuous week, Soviet President Mikhail Gorbachev made his own dramatic break from the Communist party by resigning as its leader and calling for its dissolution.

'THOSE FOOLS DOWN THERE ARE OUT OF TOUCH. THINGS HAVE CHANGED.'

The Soviets' week of destiny not only overturned the right-wing coup, but developed 73 years of Communist rule—all in 72 historic hours. In addition to reconstituting the dissolution of the Communist party's policy-making Central Committee, Gorbachev also ordered the codification of all party programs and banned party activity in the armed forces and the KGB. At the same time, the president asked his government to resign and be named less than a day later.

Clearly, the world's biggest single winner

was Boris Yeltsin. The advertisement president of Russia earned instant praise from Western leaders and his own countrymen for his leadership of the revolution that drove the hard-liners from the Kremlin. The biggest losers were the eight conspirators. One of them, Interior Minister Boris Pugo, shot himself to death; the other seven, including the group's nominal leader, former vice-president Gennady Yanaev, are now awaiting trial (page 27).

Sunder: But for Gorbachev, whose six years in power had reshaped Soviet society and ended the Cold War, the political future was uncertain despite his dramatic break with communism. "Gorbachev's days are over," declared Latvian Foreign Minister Jānis Jarkman when the coup ended. "He is finished as a political leader in the Soviet Union." Although Gorbachev kept his popularity, flying back to Moscow from the Crimea vacation compound where the plotters had kept him under house arrest for three days, he immediately found himself in Yeltsin's heroic shadow (page 32). In fact, at the end of the week, Russian legislators backed him. Yet his upstart son and a gleefully aloof Gorbachev announced that if he should ever have to relinquish power again, Yeltsin would automatically take his place. Instead, in a series of sweeping decrees, he pushed the Russian republic's Communist party out of



Troops in Moscow on Day 1 of the coup; the leaders were inept, the army and the KGB were fatally hesitant

power the Communist newspaper Pravda. And although Gorbachev at first insisted that he could reform the party, he stopped down to its leader on Saturday night. "I do not consider it possible to continue to carry out the functions of general secretary," he said in a statement read on Soviet television. The party Central Committee, added Gorbachev pointedly, "did not accept the coup d'état."

In a sense, the party self-destructed. The coup leaders were inept; the army and the

KGB—the Communists' legendary enforcers—were fatally hesitant and the once-cowed Soviet people carried the day. In the aftermath, the rebelling republics of Georgia, Latvia and later Ukraine, the nation's breadbasket, followed Lithuania in declaring outright independence from the Soviet Union. The path for autonomy among the other 11 republics, notably Georgia and Moldova, is now likely to stretch.

The European Community, which had reacted to the coup by suspending \$2 billion in aid for

the Soviet economy, reversed its position when the takeover collapsed. Germany and Italy urged other Western European nations to join them in a massive effort to oversee the struggling Soviet economy (page 36). And domestic leaders had a major reason for relief at the coup's failure: Soviet reports said that the conspirators used Gorbachev's last face on the tape the codes that would be used to launch a nuclear missile strike.

Among the people of Moscow last week,

SEVENTY-TWO HOURS THAT STUNNED THE WORLD

Sunday, Aug. 10

At 4:30 a.m., a failed attempt by eight senior Soviet officials to oust President Mikhail Gorbachev at his Crimea

summer home near the Black Sea town of Foros. He upstaged a demand to hand power to Vice President Gennady Yanaev. Gorbachev and family members are held under house arrest by encircling forces, but the 32 bodyguards remain loyal.

Monday, Aug. 10

At about 6 a.m., 1600 more agency personnel, drafted Aug. 10 and signed by Yanaev, declaring that "for health reasons" Gorbachev's powers have been assumed by the State Committee for the State of Emergency in the U.S.S.R. Tanks and troops enter central Moscow. Officials either close or impose cen-

sorship on news media. At the Russian republic's parliament building, Boris Yeltsin, Russia's president, mounts a tank outside and calls on the people and the military to

resist the "right-wing coup." vast crowds enact barricades on approaches to the parliament. Yanaev, at a Moscow press conference, denounces Yeltsin's moves. Yeltsin declares that coup leaders and collaborators will be brought

to justice. Amid foreign expressions of support for Gorbachev and Yeltsin, Gerasimov says exit.

Tuesday, Aug. 20

On the day that Gorbachev had been scheduled to sign a constitutional treaty to grant

wide new powers to the republics, leaders in Ukraine and Kazakhstan drop the coup. Soviet troops tighten pressure on the Baltic republics, but Estonia declares independence. Latvia follows suit on Wednesday. Lithuania proclaimed its independence last week. In Leningrad and Khabarovsk, the capital of Moldova, huge crowds hold pro-democracy rallies.

Moscow's military command announces a curfew to run from 11 p.m. until 5 a.m. Wednesday, but crowds at the Russian parliament defy the order. U.S. President George Bush suspends economic aid to Moscow but tells James Yeltsin and tells him that he supports his efforts to restore Gorbachev to the Soviet Union's presidency.

Wednesday, Aug. 21

Soon after midnight, Baltic supporters attack tanks with Molotov cocktails. Soviet troops open fire and three civilians are killed. By midday, military forces are leaving central Moscow. A group of coup leaders that includes ex-chief Vladimir Kryuchkov and Defense Minister Dmitri Yazov avoids a pursuing tank force led by Russian Vice-President Alexander Rutskoy, a military general, and fly to Crimea in a bid to talk to Gorbachev. The president orders his guards to arrest them. The Rutskoy group arrives to the Kiyiv relief of the Gorbachev, who, 72 hours after their confinement, are free again.



In the following 72 hours, with Yeltsin settling the pace, Gorbachev and the Russian leader instituted a coup of their own. They took steps to reorganize the government, to restructure the nation's federal system—and to dismantle the power of the Soviet Communist party.



A HISTORIC WEEK ENDS WITH GORBACHEV'S DRAMATIC RESIGNATION

complaints about food shortages and economic uncertainty were swept away. On Staraya Square, the site of Communist party headquarters, a crowd of 2,000 people cheered as Moscow city officials sealed off the building and legal investigations prepared to search for evidence linking party officials to the coup. The crowd ripped a plaque commemorating 50 years of Communist rule from its site near the Kremlin walls. And to the familiar slogan "Workers of the world, unite," on the face of a statue of Karl Marx, someone had added the

ed by Yegorov, had taken control of the central government because of Gorbachev's "inability for leadership reasons" to carry on. The announcement added that the committee had declared a national state of emergency, shutting down the opposition—the country's fledgling non-Communist political parties and newspapers, radio and television stations infested by planned with the coup to criticize the government. All the same time, employees working in the state broadcasting center found the entrance barred by armed guards. In Moscow's northern sub-



A Moscow woman pleads with a soldier to drop arms; the once-cowed people carried the day

words, "...in the fight against communism." The atmosphere of celebration had drenched the nightmarish that briefly reversed the Cold War's chilling specter only on Monday evening, Aug. 19. At 6 p.m., Soviet state television broadcast a 100th news agency announcement of Yegorov's declaration that he was assuming the office of acting president because Gorbachev was ill. In a broadcast nation watched for decades by party struggles, it was a stunning event—eventually 55 years earlier, Josef Stalin had placed around the two men who had shared power with him before and after Lenin's death in 1924. These two, Grigori Yezhov and Lavrenty Beria, were accused of plotting with foreign powers and shot on July 19.

Details of the latest political intrigue quickly followed. At 7:30 a.m., this reported that an eight-member group identified as the State Committee for the State of Emergency, lead-

ing, workers going to their jobs are armed personnel, citizens rolling towards Red Square and the Kremlin under cloudy skies threatening rain.

Force: From midmorning, events moved rapidly. The coup leaders issued a long, rambling statement which said that Gorbachev's reform policy had "endangered for several reasons a billion lives," had left the country ungovernable and had let loose "extremist forces that have emboldened on the course towards liquidating the Soviet Union." That was a thinly veiled reference to a treaty giving the Soviet Union's 15 republics greater autonomy, which Gorbachev had originally planned to sign the next day. Shortly after, Soviet troops appeared at the Russian republic's parliament building overlooking a wide bend in the Moscow River, 3½ km west of the Kremlin.

For the man building slowly to power, that

show of force ultimately failed against opposition recently emboldened to speak its mind. Rebel leaders of power were much stronger in the pre-glassnost age. In October, 1964, the party leadership simply replaced Nikita Khrushchev (who had also been in violation, at a state villa) with Leonid Brezhnev as Communist party chief and Nikolai Khrushchev as prime minister—and did not tell the world until two days later. Last week's well-publicized power grab could not have been more different.

Although the opposition had cut off the phones at Gorbachev's luxurious and heavily guarded vacation compound near the Crimean village of Yalta, they made no attempt to block telephone communication in other parts of the country or internationally. The reason was that "state of emergency" committee, arrested by security officials.

Arrest: These were also arrests, in a way. The rebellious leaders of the coup were arrested and suspended domestic flights. Yet they all found refuge abroad: flights, carrying hundreds of U.S., Canadian, British, French, German and Japanese journalists, to continue living in Moscow's Sheremetyevo airport. The Moscow episode was broadcast to the entire world. And not all Soviet journalists were arrested. Several who had worked for on-line newspapers began secretly publishing bulletins that they distributed at the city's subway stations. Moscowites with portable radios tuned to Moscow Echo, an independent station that continued broadcasting until protesters seized its transmission center on Wednesday—when the coup was already crumbling.

A sense of the absurd was evident elsewhere, too. As Soviet security forces deployed across the rebellious Baltic states of Estonia, Latvia and Lithuania, Estonian officials in the capital of Tallinn said that the troops, trying to find out from civilians what was happening in Riga, eagerly read copies of a Yelisei statement. Between 30 and 40 Soviet paratroopers descended Estonian territory in a 20-minute burst and, lower early Wednesday, but Estonian militiamen charged with detaching the building took the elevator to the top floor and jammed the doors with wedges of paper. The paratroopers then tripled up 21 flights of stairs, only to

Purging the plotters

Soviet leaders began swift, steady drives of senior officials of the Soviet government, the Communist Party and official media organs. Most of the coup's right-wing leaders were rounded up for trial within hours of the day's collapse.

Gennadi Yegorov: the Soviet vice-president who assumed duties as acting president and signed a decree that set up the night-state "state of emergency" committee, arrested by security officials.

Vladimir Pavlov: Soviet prime minister, under arrest in a Moscow hospital with high blood pressure, which had doubled him early in the attempted coup. Gorbachev dismissed him from office.

Vladimir Krasnolobov: chairman of the Soviet AGU security forces detained in Crimea as part of a group that sought to talk to Gorbachev. Placed in Moscow for formal arrest and dismissal.

Dmitri Yezhov: Soviet defense minister, detained in Crimea, then arrested in Moscow and fired. He and Krasnolobov later expressed regret for their actions in public statements.

Boris Pugo: Soviet interior minister, shot himself fatally in the mouth as security officials went to his Moscow apartment to arrest him. His wife was found gravely wounded nearby.

Oleg Baklanov: first deputy chairman of the Soviet defense council and a member of the Soviet parliament, detained in Crimea, arrested after legal action lifted his party ban on re-election.

Alexander Pavlov: president of the Soviet association of state enterprises, detained in Crimea with Yegorov, Yezhov and Baklanov, then taken back to Moscow for formal arrest.

Vasily Shatalov: chairman of the Soviet farmers' union and a member of the Soviet parliament, reported arrested inside Moscow after his autonomy was restored by legal action.

find the doors locked. They elected not to shoot their way in, and Estonian officials eventually persuaded them to leave.

But the biggest mistake of all was the failure to restrain Yelisei. After dispatching troops to detain Gorbachev, the sick man's detachment to arrest the rebellious president in self-defense was the saddest moment of his life. But when the soldiers arrived at his apartment in central Moscow at about 8 p.m., they found that the Russian president had spent the week

and at a dacha outside the city. From there he went to the parliament building, where thousands of people had gathered. Around noon, 12 T-72 tanks of the elite Kazakhstonsky Guards Division trundled up to the building and were quickly engaged in the crowd, which had been growing hourly. When the commander told the delegation that he had no intention of shooting Yelisei, the president appeared, dashed onto the lead tank and descended that

the coup leaders permit Gorbachev to speak to the nation on television.

As reports of the takeover spread across the Soviet Union late Monday and early Tuesday, hundreds of thousands of demonstrators, carrying tanks and soldiers, went into the streets of Leningrad and other cities, as the republics of Kazakhstan, Moldova, Ukraine, Estonia, Latvia and Lithuania, whose leaders had condemned the seizure of power, took action in Siberia and

THE REBELLIOUS REPUBLICS



other industrial workers responded to Yeltsin's earlier call for a general strike. But, from start to finish, the crowd drama belonged to the people of Moscow and their ragged Yel'sins. Moscow's Moscow Bureau Chief Malcolm Gray went to the parliament building and found it shielded by a growing tangle of wires, steel and wood, *loopy* reprinted.

Two light tanks along the Russian interior from their radio antenna, set in the centre of the barricade. The crews hoisted nearby, chatting with civilians who gave them burgers of red carnations, which the soldiers planted on the gun barrels of the tanks. At the entrance to the building, Russian police officers armed with automatic rifles and submachine-guns cheerfully submitted anyone who claimed to be a journalist. Said one guard: "We make sure that they are not KGB members with concealed weapons, but anyone who says that is a journalist gets a. We want to have as many witnesses here as possible."

While soldiers on both sides looked on, Russian legislators, using loud-speakers, broadcast appeals for army units to help defend the building. Yeltsin supporters began terrorizing streets with commandeered city taxis, trucks and other vehicles. Even Kemsley, a 33-year-old electronics technician, was mauling concrete-reinforcing rods from a nearby construction site to strengthen a barrier on Karsovskaya Street and Lenin Avenue. "I need an M16, and I will go to the parliament after I have finished here. I hope that we can convince the boys in the tanks not to attack us, but we will fight if we have to." He jerked his thumb in the



The spot where a man died under a tank unswerving

direction of the Kremlin and added: "Those tanks down there are not of touch. They do not realize that things have changed and we are not going to stay here just because they have sent soldiers into the streets."

On Tuesday, the initially tentative Western response to Gorbachev's arrest gave way to

outraged condemnation, while at the Moscow barricades the crowds continued to swell. An estimated column of more than 100 tanks rolled to within a kilometre of Yeltsin's parliamentary headquarters and stopped. Suddenly, apparently trying to placate the demonstrators, issued a statement in which he said that the tanks would not open fire.

Assault: The people, building order barricades and clear plastic sheeting as protection from the heavy rain, remained silent. In the gathering dark, about 50,000 of them walked slowly around the shielded parliamentary grounds. Above the smoke from a few small campfires floated a large grey blimp, its tether straining the flags of Russia, Lithuania, Ukraine, Georgia and Estonia. As Kremlin legislators delivered speeches of encouragement from the balcony, rumors of an imminent tank assault swept through the crowd. The rumors became more intense after Yeltsin's committee announced that a curfew would take effect at 11 p.m. Russian security officials said that Soviet army special forces and KGB units might even attack the building through sewer tunnels.

Inside the legislature, the mood was equally strained. In one room, volunteers made Molotov cocktails, pouring gasoline into empty Soviet champagne bottles and other glass containers. Front-row in fact, Russian radio and television announcers talked anxiously over the building's internal broadcast system, which also carried classical music played by cellist Vladimir Medvedkov, who had flown from Paris to spend the night with his countrymen under siege. People passed the time telling,

The women in the tanks, including an order by Gen. Viktor Sosunov, the military commander of Leningrad, to keep tanks out of that city, clearly indicated the collapse of the three-day siege and the five-day challenge between soldiers and civilians, many members of the military openly expressed their relief at avoiding confrontations as they prepared to return to their bases. And Anisim received a letter from Yeltsin spoke in celebration of a victory but disavowed the young soldier stood up on the balcony of the Russian parliament building. Then, Anisim was introduced to the crowd as the defender of a building that he had been ordered to attack. But the young sergeant, "I am a simple soldier and I never thought that I would be standing here next to the president when we decided. But our revolution has made the impossible possible."

Many soldiers in the capital took similar action. When the tanks and other armored vehicles had drawn up near strategic intersections in the city centre, both sides jugged open and young men flooded out, then talked with the young civilians who urged them to turn down an armed engine. Some soldiers from the Moscow-area *Voyskopolys* Division did switch sides, and Anisim led a column of 18 armored personnel carriers to defend the Russian parliament building. Even those soldiers who did not openly desert the commanders quickly changed their minds that they could shoot civilians. "Our society has changed," said one army captain who was no duty near the Kremlin, "and even we soldiers no longer blindly obey all orders."

MALCOLM GRAY in Moscow



SAVING ENERGY BEGINS AT HOME

AN ADVERTISING AND INFORMATION SUPPLEMENT TO THE SEPTEMBER 2, 1991 ISSUE OF MACLEAN'S MAGAZINE

LITTLE THINGS MEAN A LOT

The average Canadian home uses 40,000 kilowatt hours (kWh) of energy a year. That's more energy per capita than any other industrialized nation. Ironically, Canada is also a world leader in energy-efficient design.

The \$2000 house, for example, uses 27,500 kWh a year, and annual energy consumption at Advanced House, in Brampton, Ont., is less than 12,000 kWh. But you don't have to move



to save energy.

"There are many things homeowners and tenants can do to make a home more energy efficient," says Allan Jenkins, program supervisor for the Ontario Ministry of Energy. For example, insulating, sealing leaks and

switching to compact fluorescent and reduced-wattage lighting (see "The Light Fantastic," page 5) can reduce energy consumption by 20 per cent to 30 per cent.

REVOLUTION IN THE RANKS

With his well-manicured physique and neat, well-colored hair, the 23-year-old recruit could have stepped out of a Soviet army propaganda poster. Instead, Nikita Anisim, the commander of an armored personnel carrier that soldiers officials had ordered into Moscow to reinforce the army's camp by last-hour Communists, stood on a molotov's barricade that Molotovites had erected to stop the army. There, on top of a double-hung window, one of several commandeered vehicles that blocked the night lanes of the city's main ring road, the young soldier urged nearby citizens to help him defend the city's most prominent opponent, Russian President Boris Yeltsin. Anisim brought the fervor of the newly converted and a huge personal stake to the

Tools of the Trade



For Building an Energy Efficient Lifestyle

Building an energy efficient lifestyle begins with one small step. But once on the path to conservation the benefits are enormous. By learning how each of us can do our part to save energy, we can help preserve our precious natural resources while enjoying significant energy savings.

For over ten years the Canadian Electrical Association has promoted energy efficiency through both residential and industrial programs.

As part of our ongoing commitment, we invite you to contact the CEA or your local utility to obtain your free booklet on energy efficiency in the home.

They're the tools of the trade for becoming energy efficient.



IT'S A WRAP!

If you put together all the drafty cracks and crevices in the average Canadian home, you'd have a gap the size of a window. Fortunately, sealing them is one of the most effective energy-efficiency renovations you can do — and one of the easiest.

"Make sure the envelope of the house is well sealed," advises Jenkins. "There are lots of opportunities to seal leaks, especially in older houses. Caulk and weatherstripping, especially around doors and windows. The inside is most important. Do it first, then you can do the outside to keep the rain out."

The next step is to insulate. Do the basement. If it's not finished, you can do more, but costs go up from there. "Insulation in the attic should be upgraded, too, if it's inadequate." You can also insulate the hot water lines and the hot water heater itself, with an approved insulation blanket," Jenkins suggests.



Caulking (above) and programmable thermostats (below) save pay for themselves with energy savings.

OUT OF HOT WATER

Paying for water based on the amounts used, as determined by water meters, has helped reduce water use in Britain and Europe. The British use about 840 litres per day, the Swiss, just 350. Canadians, however, use an average of 5,000 litres per day. Even if your municipality hasn't yet switched to metered water, perhaps you should consider self-monitoring.

"Repairing drips and leaks, and using an aerator on taps and low-flow shower heads are



all inexpensive methods to reduce water and energy use," suggests Jenkins. You can also reduce water use with a low-flow toilet, or by displacing water in a conventional toilet's tank with a water-filled plastic bottle.

STAY IN CONTROL

Regular maintenance of a forced air furnace, such as changing the filter, helps boost operating efficiency.



can set the thermostat lower during the night and set it to warm up the house in the morning.

"Other controls save energy, too, such as motion light sensors that automatically turn on lights when you need them. In the future, we'll see controls that enable you to manage your home energy use from the office."

IT ALL ADDS UP

There are hundreds of ways to save energy — not just with the products you buy, but how you use them. "Saving energy isn't just about buying specific products such as energy-saving light bulbs," says Dune MacCarthy, vice-president of energy management for Ontario Hydro. "It takes a change in attitudes and behavior. We need to develop the attitude that we should always be looking for ways to save energy. It's a mind set, not just a bogus one to product."

Saving energy means giving some thought to the everyday things you do automatically. "It means turning off lights when you leave a room and not standing at the fridge with the door open," suggests MacCarthy. "When cooking on a stove top, it means matching the element to the size of the pot. And you don't have to pre-wash that utensil before you put it in the dishwasher." (For information on how to learn more, see "More Chores" page 13.)

Every little bit does help. MacCarthy stresses "There are lots of little things to do, but people often think they can't make a difference. But when you put everything together, there's a lot of potential."



Now it's a fireplace. And it's a wood-burning fireplace. Composed with wood-burning, built-in wood-burning, clear-cutting and cut-out wood-burning. And on top, no need to cut up.

For pennies an hour, you can enjoy warmth, beauty

and a wood-burning fireplace. And it's a wood-burning fireplace. Composed with wood-burning, built-in wood-burning, clear-cutting and cut-out wood-burning. And on top, no need to cut up.

For pennies an hour, you can enjoy warmth, beauty

Woodburning Stoves



Consumers Gas



ONTARIO ENERGY BOARD

LESS IS MORE

A kilowatt saved is a kilowatt earned. It's electricity that Ontario Hydro doesn't have to produce because Ontario residents have conserved energy or improved their energy efficiency. It even helps to use energy at off-peak times—between 8 p.m. and 7 a.m.

Ontario Hydro is counting on us to cut back. "Energy conservation is the top priority at Ontario Hydro," says McCarthy. "Our goal is to reduce energy consumption by 4,500 megawatts by the year 2000. That's roughly equivalent to all the electricity needs of Metro Toronto."

We've already reduced our electricity consumption 8000-watt, McCarthy says. "We saw a reduction of 200 megawatts last year. Less generation of electricity translates into less sulphur dioxide and carbon dioxide emissions." Reducing energy consumption during peak times reduces the need to rely on fossil-fuel-burning plants to generate the extra electricity needed for peak loads.

Every little bit helps. Ontario Hydro figures show that if each of the 3.5 million homes in



Insulating the water heater and hot-water pipes reduces energy costs. Insulation kits are available for both electric and natural gas heaters. Contact your local utility for information.

Ontario switched just one 60-watt incandescent light bulb to a 15-watt compact fluorescent bulb, which gives a similar amount of light, we could save 34,000 kilowatts (39 megawatts)—more than enough for Sudbury if people who used the estimated 1.4 million dishwashers in Ontario all switched from a hot-dry to a cool-dry cycle, we'd save 25,000 kilowatts (29 megawatts). And if Ontario residents gave up their second refrigerators (an estimated 1 million), we'd save 150,000 kW (150 MW).

The Canadian Electrical Association is working to help Canadians learn more about saving energy. The CEA's Energy Efficient Residential program is designed to give homeowners and tenants recommendations on energy-saving appliances with heating, lighting, heating and cooling systems, as well as energy-efficient building materials, methods and design. (Other CEA programs cover commercial and industrial energy use.) Information is available through Ontario Hydro 11-800-363-9000 or your local utility.

THE LIGHT FANTASTIC

The energy-efficient compact fluorescent light bulb is the greatest innovation in lighting technology in the last 15 years, but it may not be the solution in every situation. Compact fluorescents work best when they'll be on for at least three hours at a time. But if a light will be turned on and off frequently or left on for only a few minutes—such as in the bathroom, basement or a closet—incandescents are the better choice, says Bernie Taylor, manager of marketing services for Sylva.

"Our new reduced-wattage incandescent bulbs look like regular incandescent bulbs," says Taylor, "but they use less electricity and last longer—about 2,500 hours compared to 1,000 hours for regular incandescent bulbs. The 34-watt bulb replaces a 40-watt; the 52-watt replaces a 60-watt; and the 36-watt replaces a 100-watt. The savings in wattage aren't as dramatic as compact fluorescents, but then they don't cost as much, just slightly more than an incandescent."



NEW HOUSE ON THE BLOCK

Advanced House is a step forward for energy-saving technology

Advanced House, located in Brampton, Ontario, is one of the most energy-efficient houses in Canada.

Computer simulation predicted an annual energy consumption of 11,225 kWh for Advanced House. At seven cents per kilowatt hour, that translates into an annual energy bill of only \$395 versus \$1,794 for an R2000 house and \$2,682 for homes built to today's provincial building code. That kind of energy savings has attracted a lot of public interest.

"Advanced House had more than 4,000 visitors a week at first," says Bob Hartogweid, coordinator of customer services for the Ontario Ministry of Energy. Advanced House, a combined effort of many participants

(including Energy Mines & Resources Canada, Ontario Ministry of Energy and Ontario Hydro) was open to the public for 12 months before it was sold earlier this year.

Insulation levels at Advanced House are higher than Ontario Building Code and US DOE standards. Insulation values at R40 for ceilings and R40 for walls, combined with airtight construction, prevent heat loss.

"Energy consumption was lower than we'd anticipated, but without a family living in it, we didn't get a true picture," says Hartogweid, who spent most of his weekends at Advanced House when it was open to the public. "We once even did an laundry there, for instance, but visitors constantly opening and closing of the door added a considerable energy load. We added to the load to be sure energy use was well tuned. The computers in the basement will continue to monitor energy use with the new residents for two years."

The new owners aren't the only ones who can benefit from the energy-saving technology in Advanced House. Hartogweid points out that most of the systems are available to homeowners. "Almost everything there has practical applications," he says. "The integrated mechanical system is the main exception. Everything else is widely available."

The appliances in Advanced House, many of European design but available here, use between

20 per cent and 60 per cent less energy than average appliances. Hartogweid says "The lighting, which is all fluorescent, uses 40 per cent less energy and is available from Canadian manufacturers as are the high-performance energy-efficient windows (see 'Window Shopping,' page 11).

Airtight construction and high levels of insulation (R40 walls, R60 ceilings and R37 basement) help prevent loss of the heat that is provided in part by a sun space that acts as a passive solar collector. Other heat sources are an integrated mechanical system (IMHS) designed by a

Toronto engineering firm and a Port Colborne-made contra-flow fireplace that is 86 per cent to 90 per cent more efficient than many wood-burning stoves.

NEW TECHNOLOGY

The IMHS, called Solmate, is the only technology at Advanced House that is not commercially available — yet. "We're still working on finding, but we hope to have the system available next year," says Gino Allen, a partner in Allen Associates, the Toronto firm that designed Solmate. "To a customer, we anticipate it will sell for about \$2,000. That's the same cost as buying the high-efficiency furnace hot-water heater and air-conditioning and heat-recovery system it replaces, so there's zero incremental cost."

Once the funding is in place to manufacture Solmate technology on a commercial basis, Allen would like to turn his attention to another project. "I'd love to work on a zero-energy system, one based solely on renewable energy. We already know how to do it."

Allen would like to see such a system available to everyone. The main hurdles are funding and a lack of vision from business and government. Says Allen: "The bottom-line mentality is unfortunate. We need to train ourselves to stop thinking only about the financial implications."

A two-story sun space at Advanced House opens off the family room and breakfast area. On the north side of the house, it acts as a passive solar collector, storing solar heat for the rest of the house and preheating ventilation air.



BE A POWER SAVER



When you're a Power Saver, you help give tomorrow a hand

Lifestyles may vary widely, but one thing we all share is a need for electricity. From morning showers to the late news, our day depends on electricity, no matter how efficiently we use it.

Virtually every product or service we rely on today is made, or made possible, with electricity. Electricity helps feed, heat, cool, transport, entertain and even heal. It's the energy we depend on most.

While we enjoy one of the most reliable electrical systems anywhere, severe weather conditions have been known to knock out our power lines to a community. Acquiring the basic necessities of life — heat, food and water becomes a daily struggle. Even reading is a chore, once the sun goes down. Batteries, candles, lanterns and fuel grow scarce.

In Ontario, where reliable electricity has always been the standard, it's easy to take power for granted. But we need more than most, because of our heavy resource industries and cold winters.

So it's not surprising that more of us are becoming aware of how we use electricity. It's part of a growing trend. People everywhere are changing their habits and lifestyles. They don't do without, they just do much more with what they've got.

Power Savers want to use electricity efficiently not only to save money now, but to help Ontario get the most out of its electrical system in the long run. They want their children's future to be as good as the present is for them.



Why should you be a Power Saver?

A province which runs on electricity today, can't afford to run short tomorrow. But in Ontario, climate, population growth and industrial expansion have increased the demand for energy.

There is enough power to meet all of the province's electricity needs today. But we must plan now for the electricity which we, our children, and even their children, will need in the next century.

Building a new generating station is a costly initiative which takes years. But there is something that each of us can do right now to ensure there's more electricity available where and when it's needed.

We can choose to become **Power Savers**, as thousands of other Ontarians already have. By making ourselves more energy conscious, we give more power to several choices: we give more power to ensure a life for ourselves, our children. And power that puts money back in our pockets.



Who are Power Savers?

People who remember to switch off lights or unswitched television sets save power.

They also find ways to save electricity while using it and know that there are almost as many ways to save energy as there are ways to use it in today's world of innovation.

Power Savers don't do without electricity. They make electricity do more by using it better. They look for ways to use electricity more efficiently whether they're at home or at work.

Power Savers look for things like... energy efficient lights that burn just as brightly yet use less electricity.

energy efficient showerheads and laundry appliances that clean with less hot water; refrigerators that keep just as cool with fewer kilowatt hours... insulation and windows that keep out more winter cold and let in less summer heat.



To a Power Saver, energy efficiency is a way of life



Power Savers enjoy life and many of the things electricity brings to it. And they also think of our future. They understand that tomorrow's electricity is as important as today's. That using energy wisely has to become a way of life.

They also install meters to do the job when they aren't there.

Power Savers see the higher price of energy efficient lighting as an investment in future savings. Halogens, compact fluorescent and energy-saving incandescent light bulbs use less power than regular incandescent bulbs yet produce the equivalent amount of light. They last longer too. It's surprising how many have already found their way into homes.

Power Savers love a hot shower as much as anyone. But they know an energy-efficient showerhead will give them just as good a shower as the old-fashioned kind with only a fraction of the hot water.

Appliances with good **EnergyGuide** efficiency ratings are a good buy since an efficient appliance can save a lot more on electricity bills down the road.

Power Savers go house hunting where energy efficient R-2000 homes are built. Or if they renovate an older home, they renovate its energy efficiency too.

At work, **Power Savers** make smart recommendations that save energy and money, including Ontario Hydro incentive programs which encourage better insulation, more efficient lighting, and power-saving equipment and processes.

Power Savers know where to get free, money-saving advice by calling the Ontario Hydro **Power Saver Hotline**.

number

1-800-263-9000.

They call it regularly to get information on dozens of power-saving ideas.



Power Savers improve with time.

Next to a new R-2000 energy-efficient home, renovations are the best opportunity to introduce energy efficiency improvements to homes and buildings. **Power Savers** know this because they plan for the long term by building in efficiency improvements which will pay dividends for years to come.

From cooling to cooling, there are many improvements which can increase your energy efficiency: Heat pumps, energy-efficient windows, ventilation fans, energy-efficient lighting, automatic thermostats and new appliances can all help you save energy in the long run.

No renovation is complete unless you renovate your electric wiring as well. But do it right. Make sure the work is completed by qualified electricians and inspected for safety by Ontario Hydro.

*Your electrician can recommend the size and placement of the breaker or fuse and other safety equipment for your home.

Power Savers call Ontario Hydro when they need help.

Whether you're planning to build or renovate, or just improve your energy efficiency, Hydro wants to help.

Hydro has experts in residential, commercial, industrial and agricultural energy use who can help you identify opportunities to improve your efficiency.

In many cases, Hydro will visit a business and perform a free energy audit to find those savings. And we can point out incentive and payback programs which will make it easier to get the job done.

Help is just a phone call away. If you live in Ontario, please call Hydro toll-free at 1-800-263-9000. Or call our Speakers Bureau at the same number to arrange for Ontario Hydro to talk to your organization about energy efficiency. We'll provide you with the latest information about energy efficiency. And we can put you in touch with an expert. There are energy-efficiency programs or information of interest to you. Call and find out about:

- Renovation • Appliances • New Homes
- Heat Pumps • Energy-efficient Lighting
- Energy efficiency at work



If you're planning to renovate, it pays to include energy efficiency in your planning. Chances are technology has changed since your house was built. Here's the latest on fireplaces, high-performance windows, high-efficiency furnaces and best pumps.

HOME IS WHERE THE HEARTH IS

Conventional wood-burning fireplaces send most of their heat right up the chimney, says Gerry Denz, manager of builder marketing for Consumers Gas. "Many are terribly inefficient. In fact, they can actually lose more heat than they create drawing air from the rest of the house."

"Architects have said that wood-burning fire-



places will become a thing of the past, and I agree. In fact, in the United States, many jurisdictions have already banned or restricted the use of wood-burning fireplaces because of their polluting emissions. And the British Columbia Lung Association has written a report condemning the negative health aspects of burning wood."

Where there's fire, there's smoke, but unlike wood-burning fireplaces, cleaner-burning, more-efficient gas fireplaces can be vented and exhausted directly to the outside. And they're practical for both new home construction and

Traditional fireplaces lose more heat than they make. New cleaner-burning natural gas fireplaces (below) are much more efficient and are practical for both new construction and renovation. Windows (right) can also be real heat losers, but new technology can cut window energy losses in half.

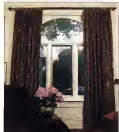
renovation in existing homes.

Gas fireplaces, like gas furnaces, have gained popularity, especially in western Canada. As Denz points out, "It's ironic that in the West, more people use gas fireplaces than wood-burning ones. As you go east, the number declines. But that's changing."

WINDOW SHOPPING

Canadian homeowners spend more on windows than almost any other renovation product, and it's no wonder. Windows are normally the largest contributor to heat loss in an energy-efficient home. New technologies, though, can reduce window energy losses by half.

The high-performance windows used in Advanced House in Burlington, Ont., have the following state-of-the-art features, all of which are worth looking for when you're (cont. on page



places that cool, such as constant windows (right), and more efficiently than those that don't. Fixed windows (such as the window shown here, above the basement windows) are the most efficient, but they're not practical for use everywhere.



HOUSE DETECTIVE:

THE CASE OF THE DISAPPEARING ENERGY

Where were you when the lights were on?

A light left on in an unoccupied room is one of the ways that energy is lost in the home, and there are dozens more. Finding them can take a little detective work, so here are some clues to help you track down how — where — energy disappears.

3 Exterior work:

Air leaks through cracks, old roof shingles, doors and electrical outlets can lose 25 per cent to 30 per cent of your home's heat! Use weatherstripping, caulking and water gaskets to block leaks from the outside.

4 Windows:

Over south-facing windows, deciduous trees block sun in summer but let it in during winter.

On south-facing windows, weather blocks can in summer and let in lower angled winter sunlight.

Outdoor lighting on timers or with motion detectors can save electricity, also prevent light air leaks.

Covering a hot tub or heated pool helps retain heat. Solar-powered heaters heat for free.

Air conditioning accounts for as much as 8 per cent of home electricity use. Keep the central A/C unit in a shaded area, not with a southern exposure. Keep it free of debris.

Conventional appliances can actually lose more

1 Windows:

As much as 25 per cent of the heat that escapes from a home goes out the windows — and the sun's heat also can add to air-conditioning use. Drafts and weatherstripping around windows, if replacing them purchase efficient models. Shade windows in summer.

2 Exterior Doors:

Weatherstripping and seals to seal air leaks. If you must keep a door shut or get done, weather strip around it, too.

5 Living rooms:

A home today has 100 light bulbs. Opt for compact fluorescent bulbs. Compact fluorescent bulbs use 75 per cent less electricity than incandescent bulbs. Use light, compact bulbs and the bulbs for task lighting and lower levels for general lighting. Turn them off when not in use.

Conventional appliances can actually lose more

6 Basements:

The water heater is the home's second highest energy user. It uses 12 per cent to 20 per cent of the total energy consumed. Your water heater's thermostat should be 120°F. Upgrade the tank's insulation by wrapping it in a R-19 insulation blanket. Extend the benefits by insulating at least the two inches of the hot water pipe.

An ordinary concrete foundation has about the same insulation as a single-glazed window and loses about 20 per cent to 25 per cent of a home's heat. Insulate to the highest R value for your area.

Have your furnace serviced annually, and clean or replace filters regularly.

Seal furnace ductwork with duct tape and insulate hot air ducts in unheated areas.

11 Laundry:

Set the water level to match your load and opt for a tubwasher or cold wash and a cold rinse.

Heat the dryer in the outside. Hang laundry to dry, when possible. Keep drying time short and temperature low.

10 Bathrooms:

An ordinary shower head uses 15 L to 30 L per minute. A low-flow shower head cuts that to 7 L to 10 L, saving water — and the energy to heat it.

Standard toilets use about 20 L of water for each flush. Double the water in your tank as much to a

water-saving model, which uses as little as 5 L per flush.

A tap leaking at one drop per second wastes more than 1,000 L a year.

A bidet uses about 100 L of water and no electricity, which can add to air conditioning use.

12 Bedrooms:

Ceiling fans use less energy than air conditioners for summer cooling and help distribute heat in winter.

7 Attic:

In summer, attic temperatures can reach 54°C, which heats up your home when you're trying to keep it cool. An attic fan can reduce that by as much as much as 22°C.

Seal air leaks, upgrade insulation if needed, and prevent it with a vapor barrier.

Weatherstripping and seals on your attic hatch.

8 Kitchen:

Major appliances account for as much as 30 per cent of home energy use. When buying appliances, choose energy saving models. Check the EnergyGuide label.

The fridge uses the most energy of all appliances. Keep it away from heat generators such as stoves, dishwashers, heating vents and direct sunlight. Make sure the door seal is airtight, and clean coils regularly. Keep the fridge at 3°C, the freezer at -18°C.

Small appliances such as microwaves, toasters, ovens, kettles and coffee makers use less energy than an oven or stove top.

Use the dishwasher only for full loads, and skip

the drying cycle. Use water-saving models and less water than washing by hand. Models that heat water temperatures more you can set your water heater lower.

The active circulation in self-drying ovens makes them more energy efficient — but only if you don't use the self-drying! Run a thermometer to check oven temperatures.

Flow restrictors in showers or faucets conserve water.

Use a faucet only as large as you need. Great faucets are more efficient than upright models.

An exhaust fan reduces humidity, which can add to air conditioning use.

More Over:

You'll find many more energy-saving tips in publications from the following organizations.

Energy, Mines & Resources Canada: Phone 1-800-951-5146
Ontario Hydro: Phone 1-800-363-9920
British Columbia Energy: Phone 1-800-663-0077
Consumers Club: Check local listings.

Using energy-efficient products is a sure way to save money on your utility bill. It's also a way to save the environment.

In fact, energy efficiency is such an important issue that many of Canada's leading power companies have joined forces to promote a program called Power Smart.

What's more, they're working right now with manufacturers and retailers to

promote as many new energy-efficient products as possible. From "smarter" fridges and water-saving showerheads to compact fluorescent lighting and high-efficiency motors.

But the program won't work unless we all plug in. So please buy Power Smart products whenever you can. You'll get a break on your energy bill and help save the environment too.

ALBERTA POWER
E.C. HYDRO
MANITOWA HYDRO
MARITIME ELECTRIC CO.
NEW BRUNSWICK POWER
NEWFOUNDLAND POWER
NORTHLAND UTILITIES (NWT)
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YUKON ELECTRIC CO.
YUKON ENERGY CORP.

POWER SMART™
Unites Dedicated to Energy Efficiency

BUY POWER SMART PRODUCTS AND SAVE.



(cont. from page 11) window shopping:

- 12 mm (1/2 in.) spaces between panes (less is not effective unless filled with an inert gas).
- both spaces filled with argon gas (krypton is more expensive, but is effective in spaces as narrow as 6 mm or 1/4 in.)
- two low-emissivity (low-e) coatings
- low-conductance spaces between panes
- wood frames (instead of metal, which allows more heat loss).

The glass section of these windows has an insulation value of R31 (3.96 U-7), but heat loss through the wood frame and at the edge of the glass result in a net whole-window value of R38 (0.91 U-5.2). That's more than some home's walls!

POINTS OF VIEW

What a window is made of is just part of the energy-efficiency equation. Where you put them is also important. Most of the Advanced House window area is on the south side, to provide passive solar heat. Triple-glazed windows also result in a net heat gain in walls facing east, southeast, south-west and west.

When you're choosing energy-efficient windows, style is a consideration too. A horizontal casement slider, for example, has the highest leakage. Alternatives, in increasing order of efficiency are double-hung, casement, awning and fixed. Finally, keep energy efficiency in mind when you choose window coverings. Blatantly insulating blinds or shades are both decorative and practical.



A high-efficiency air conditioner and furnace (right) use much less energy. High-efficiency furnaces have seasonal efficiency ratings as high as 94 per cent, in contrast to conventional furnaces with ratings as low as 52 per cent.

THE HEAT IS ONE

If you're in the market for a new furnace, consider a high-efficiency natural gas furnace or a heat pump. Most furnaces in Ontario are fueled by natural gas. This is because natural gas burns more cleanly and costs less than other fuels. Seasonal efficiency ratings range from 90 per cent to 98 per cent for high-efficiency models, compared with 78 per cent to 83 per cent for mid-efficiency and 55 per cent to 65 per cent for older, conventional models.



PUMP IT UP!

Unlike a furnace, a heat pump doesn't create heat from burning a fuel. Instead, it pumps heat from the outside — from the air, ground or even water. Since it takes less energy to transfer heat than to produce it, the efficiency of heat pumps is quite high.

Air-source heat pumps are less expensive than other types of heat pumps, but they need some



heating backup. Since in winter the ground temperature is higher than the air, ground-source pumps (also called earth energy systems) can meet almost all home heating requirements and generally have enough capacity to heat water as well. Air-to-air pumps cost \$2,500 to \$4,000; installed ground-source heat pumps range from \$3,000 to \$12,000.

Heat pumps run on electricity (a combination of electricity and gas, or, as in the case of a recently designed model, gas alone). Another major advantage of heating with heat pumps is that the process can be reversed for summer cooling.



COVER

ECHOES OF A DISTANT DRAMA

CANADA RESPONDS TO A FAILED COUP

Mikhail Vukoborski of Grand Forks, B.C., learned of the coup in the Soviet Union when his daughter, Maria, turned on a 6 a.m. radio broadcast. She, the 16-year-old interned overseas worker and secretary of the Grand Forks branch of the Canada-Croat Association, "I had a feeling it was coming to that" just hours earlier, as Carl Jacobson, a Soviet expert at Carleton University, returned to his Ottawa home from a conference in Moscow. In S.F., he tweeted reports that Soviet President Mikhail Gorbachev had been overthrown. Like Wukoborski, he said that he was not particularly surprised. In fact, he had just delivered an academic paper at McGill on the totalitarian prospects for martial law or civil war in the Soviet Union. Said the professor: "I got back here to find that it had just happened."

Still, most people around the world were surprised—and appalled—by the sudden events of Monday morning. Some, like the crew of the Soviet freighter *Kozmodemskiy* in the port of Montreal, were already shaken. Said one of the ship's officers: "I am absolutely surprised and unhappy." Canadians of Eastern European extraction who had followed the Gorbachev years from afar were also incredulous. Said Polish-born Ernst Borkman, 60, the

owner of an eight-room hotel in Waterloo, Sask.: "It was quite a shock for people around here." Indeed, the federal government itself also appeared to be shaken by the Soviet upset, as External Affairs Minister Barbara McDougall responded to the events in a way that seemed at odds with the strangely pro-Gorbachev remarks made by Prime Minister Brian Mulroney.

Seifer: From the outset, Mulroney adopted a firm line. "We've got a government that we don't recognize," he declared, "a government that [only] appears to be in control." Indeed, Mulroney temporarily froze the \$775 aid loan to Soviet and that he had granted a month earlier. But when he learned of Gorbachev's resignation on Saturday as Communist party chief—and the likely demise of the party itself—the Prime Minister said that those developments could lead to more assistance. Mulroney added: "They get rid of

McDougall's descendant



Baltic rally in Toronto; shock followed by relief

the Communist party, they'll probably get more [aid]."

For her part, McDougall initially appeared to adopt a softer stance. When asked what leaders were calling for Gorbachev's return, she suggested that Canada might be able to do business with the coup leaders, as long as they adhered to the "principles of nonviolence and reform."

The following day, the government stamped its opinion: the outgoing Mulroney asserted that McDougall had "specifically called for the restoration of Mr. Gorbachev"—a claim that a transcript of the external affairs minister's remarks did not bear out. McDougall also appeared to backpedal. In Brussels for a NATO meeting, she told reporters: "We call for the immediate restoration of President Gorbachev." But the damage had been done. As diplomatic sources reported that McDougall's remarks had been noted abroad, Opposition Leader Jean Charest said that the minister's "viral" reaction was an indication that "like there is no tomorrow."

But many Canadian experts on Soviet affairs said that the controversy was overblown. Noted Paul Mazura, a Soviet studies professor at the University of British Columbia in Vancouver: "She was in a difficult and evolving situation. It was not a major failure." And the coup's collapse quickly eliminated the potential for further trouble. A Mulroney aide said that in a personal and "very emotional" 15-minute phone call to the Prime Minister after the coup's failure, Gorbachev thanked him "for the very strong stand you have taken so quickly and so firmly." And throughout Canada, people greeted the coup's failure with relief. Said Violet Proke, 31, of Calgary, who immigrated to Canada from the Soviet Union with her husband, Mark, in 1989: "Now they can build a new democratic, free society."

Still, there remains "a mood of wariness and caution," said Peter Arsenault, secretary general of the Russian General Council in Toronto. Added Soviet expert John Thompson, director of Toronto's Mackenzie Institute, an independent organization that studies conflicts and revolutions: "We should be prepared for a lot more trouble in the Soviet Union." Despite the failure of the coup, some Canadians remain unconvinced that the Soviet Union's problems are anywhere near a solution.

GLEN ALLEN is Ottawa with PETER KOPPELBERG in Toronto and JOHN NISWANE in Calgary.

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PROFILES OF COURAGE

YELTSIN AND GORBACHEV DEFY THE ODDS

The two men have shown little fondness for each other. But their lives have intertwined, and their odd relationship has shaped the destiny of a declining superpower—and the world. It was Mikhail Gorbachev who made Boris Yeltsin possible. In his efforts to reinvigorate the Soviet Union's beleaguered economy, Gorbachev unveiled liberal reforms that shocked the foundations of society. Yeltsin was one of those forces. And the nation's Russian leader has craved at the limits of democratization, pressing the Soviet president towards ever more rapid change. But the old guard resisted, and when hardliners staged a coup last week, it was Yeltsin who helped create but craved from the fires of improvisation. As the flames subsided, it was the image of a besieged Yeltsin, standing on top of a tank and exhorting the nation to defend democracy, that seemed likely to prevail. "The fantastic element is this whole myth," said Yelizar Habel, an analyst at the Bonn-based German Society for Foreign Policy. "It is that the leaders didn't understand their enemy was Yeltsin, not Gorbachev."

Even as Gorbachev struggled his position as the Kremlin, Western and Soviet analysts predicted that he will be a dismantled leader—and that Yeltsin will emerge as the real power in the U.S.S.R. A meeting at the Russian parliament that Gorbachev attended last Friday dramatically underscored that view. Millions of TV viewers watched as staccato Russian deputies repeatedly interrupted the Soviet president's 90-minute speech, and discovered a stunning vision only once when he praised Yeltsin's role in forcing down the conservatives. Then, with Gorbachev still standing at the podium, Yeltsin brandished a page of paper. "On a lighter note," Yeltsin persisted, "shall we now give a decree suspending the activities of the Russian Communist party?" Gorbachev stammered. "Boris Nikolayevich, Boris Nikolayevich..." Not all members of the Russian Communist party took part in the plot. "With a few exceptions, Yeltsin signed the decree away from me," said Yelizar Habel, Gorbachev's longtime right-hand man, who may have recognized the political maneuver. It was another stunning act in an remarkable years as a Soviet leader. In that time, he has abandoned Marxist-Leninist tenets, liberated the media and broad political powers. He also withdrew Soviet troops from Afghanistan and allowed Eastern Europe to escape the Kremlin's control, almost single-handedly ending the Cold War. In the process, he became a hero in the West, winning the 1990 Nobel Peace Prize.

But these achievements were a direct result on the power and prestige of members of the Communist bureaucracy. And, claiming that he was becoming by hard-line opposition, Gorbachev took only tentative steps to reform the staggering Soviet economy. As a result, the Soviet standard of living—and with it Gorbachev's popularity—went into free-fall. Late last week, Gorbachev dismissed the men behind the coup and appointed liberal Russians

but one with a rebellious nature. In his 1990 autobiography, *Against the Grain*, Yeltsin traces his clashes with authority to his childhood, when he was expelled from school for denouncing a teacher as a sadist. On another occasion, he lost his left thumb and a finger trying to assassinate a graduate he had stolen from a storage depot.

Gorbachev, by contrast, joined the Komsomol youth organization in the southern Russian village of Privolnoye when he was 14. After his school at Moscow State University, he returned to his home region to lead the Komsomol in Novosibirsk. When he became first secretary, Gorbachev acted as custodian of the party's humanism open in the west and frequently encountered social officials from Moscow. Such powerful connections won him admittance to the ruling General Committee in 1975.

Some 10 years later, at the age of 54, Gorbachev assumed the leadership of the Communist party. Hailed as the Western media as the golden boy of Soviet politics, he moved swiftly to consolidate his position, replacing some of the most extreme hard-liners on the Politburo and bringing some of young Communists to the Kremlin. One newcomer was the first secretary from Sverdlovsk, Boris Yeltsin, became Moscow city party chief.

Yeltsin took the capital by storm. He made frequent walking tours, visiting underprivileged poverty stricken and poorly equipped hospitals. He used public transport, avoided the 28 limousines reserved for senior party functionaries. And he showed his endless and humble public persona to rid the capital of corruption, he once boasted that he had dismissed 40 per cent of Moscow's bureaucrats.

But Yeltsin's highly populist style slowly irritated his colleagues, and he was made an enemy of his sponsor. During his first year in power, Gorbachev talked only of reform, or socialism—tinkering with the old command economy to make it more efficient. Many of the

newer members of his administration openly favored more ambitious plans. But Yeltsin was the most vocal. And when after Gorbachev cancelled himself to Jerusalem, as a result of the Moscow chief, speaking at a meeting of the Central Committee in October, 1987, barely noticed him for the slow pace of change. In response, Gorbachev expelled Yeltsin from his Moscow post and asked him to a job in the construction ministry. It was a severe personal blow. "Even now," Yeltsin wrote in *Against the Grain*, "it rarely came to still lodged my heart."

After his dismissal, he entered hospital because of what he called "a physical breakdown."

Yeltsin bounced back 18 months later. And although Gorbachev treated him with open hostility, it was the Soviet leader who made

newspaper *Pravda* to apologize to Yeltsin for describing him as a drunken drinking lout during a September, 1988, American tour. He was not taken seriously at first either. President George Bush refused to receive him in the Oval Office, although they had a brief, informal meeting down the hall in mutual security adviser Brent Scowcroft's office.

Gorbachev also missed the battle. In March, 1990, on the eve of Russian parliamentary elections for the republican presidency, he described Yeltsin as an "anti-socialist" who wanted to break up the union. Yeltsin's victory after a hard-fought three-hour race underscored Gorbachev's own inability to control the job. It also served to make the Siberian natives even more radical. Each of Yeltsin's

Three events intensified the struggle between hard-liners and radicals. At a dramatic party congress in July, 1990, nearly 5,000 delegates argued bitterly over the future of communism. On the 10th day, Yeltsin announced them by announcing his resignation from the party. He walked directly out of the hall—and into the center stage of the increasingly powerful radical reform movement.

Gorbachev, meanwhile, clung to a narrow middle ground. He tried to stay right, open to the left, to appease each camp. Last fall, he appeared to embrace the old guard when he rejected a radical 500-day economic plan to transform the Soviet economy into a Western-style free market. He also took men who would suggest the coup against him, including Vice-

President Gennadi Yegorov, into his inner circle. In December, his longtime ally Eduard Shevardnadze abruptly resigned as foreign minister, warning that the country was sliding towards "dictatorship." That statement had an eerie resonance in January, when Gorbachev refused to continue the military assault on a TV transmitter in the Lithuanian capital of Vilnius, in which 14 people died.

Ally Yeltsin, however, flew to the Baltics to express his solidarity with the republican governments. Relations between the two leaders sank to new depths in February, when Yeltsin accused Gorbachev of assuming "absolute personal power" and demanded his resignation.

In April, however, tensions eased between the two leaders. Gorbachev, apparently feeling that he had the hard-liners under control in retrospect, a miscalculation—based again towards reform. He talked about reinvigorating a central version of the 500-day economic plan. He began smoothly negotiating a new union treaty with new republic leaders that would shift power from the center to the republics. And Yeltsin, who was the Russian republic's first direct presidential elec-

tion in June, called Gorbachev an "ally."

The hard-liners did not see his that way they latched their coup the day before the union treaty was to be signed. Yeltsin's defiance in the face of communist military attack certainly raised his political clout as the country—and almost none, Gorbachev's side—was under assault by the disaffected Communist party, who need all of his courage and fear to emerge from the shadow of the Siberian dream.

MARY NEMETHI with correspondent reports



Gorbachev plummeting popularity



Yeltsin's popularity is soaring

Yeltsin during presidential campaign his image has soared from Russian to national hero

Yeltsin's political resurrection possible by calling for elections to the newly created Congress of People's Deputies. His official public trains carried Yeltsin the support of others in their first, limited opportunity to cast a ballot against the Communist system. He won 90 per cent of the vote in Moscow and a vote in the lower house of parliament.

The party tried to undermine Yeltsin's popularity. The official media portrayed him as a buffoon. And in one instance, a statue of poet-artist leaders led the Communist party daily

clashes with the Kremlin, and Gorbachev's Deputies, "imposed the initial step to take in 1987 when they disengaged himself among the reformers." Now, also, "he has virtually threatened the old system."

That same month, reformers took control of local governments in Moscow, Leningrad and other cities. Republican governments were becoming openly autonomous. And the Congress of People's Deputies installed Gorbachev as a new executive presidency, removing the party's power to hire him out of office.

BUSH'S SCENT OF VICTORY

THE FAILED COUP POLISHES HIS IMAGE

Start wearing already hung over the summer White House on Walker's Point outside Knoxville, Mo., where the telephone in George Bush's hotel room between walked him a few miles before collapsing. From his hotel down the road, national security adviser Brent Scowcroft informed the President not of the progress of Operation Ruby, but of another, more sinister plot that threatened global havoc. Just minutes earlier, the Moscow station chief of the Central Intelligence Agency had called his report of a Kremlin coup to CIA headquarters in Langley, Va., confirming Washington's worst fears. In a stunning prelude strike that caught governments around the world off guard, an unlikely group of Soviet hardliners had announced the direct assault of the Cold War and dealt a potentially devastating blow to Bush's touted new world order.

Pushes: Over the next hours, in the Kremlin behind the Moscow station, the President sped back to Washington aboard a stolen Lockheed Air Force One, the political climate looked increasingly grim. Signaling the gravity, Bush had just on a blazer and tie, a marked contrast to last August's Persian Gulf crisis when he leaped reporters from his golf cart. And later, an crisis seemed Bush of having counted too much on a single figure, Soviet President Mikhail Gorbachev, then taking to support him with sufficient economic aid. Democrats glomped an unexpected break in their gloomy electoral fortunes for 1992 for their hopes proved to start-fail in the coup itself. Three days later, Bush stood inside his Walker's Point house, back in a wood-paneled, fresh from a telephone talk with the newly restored Gorbachev—and looking as yet another foreign-policy triumph.

With Gorbachev's announcement last Saturday that he was resigning as Communist party leader, the drama seemed so fully resolved

that some analysts said that it could have been scripted by Bush's campaign team. "This was anti-for-intelligence coup," said Sen. J. Bennett Johnston of Louisiana. "It was even the right length for a nine-minute TV show. You had a struggle of good versus evil with the good prevailing and all the action happening at once; it was in Moscow. No, we even have a new outside deal."

Indeed, Hough said, "could be extremely dangerous—you could get another military coup." Still, a still seemed under way in Washington after the coup's collapse as administration officials began sending more signals. Publicly, Bush protested that U.S. policy remained unchanged, and he denied that Stalin's new status diminished Gorbachev's position. But a senior White House official privately made clear the administration's disappointment with the Soviet leader. Speaking in confidence of anonymity, the aide criticized Gorbachev for declining his continued allegiance to the Communist party and called on him to rise in the military and the state. When Gorbachev resigned as party general secretary at week's end, the White House applauded. "We welcome this news as another step forward in the reform process," said a senior statement.

As for Bush's feelings towards Putin, there has been an unspoken tension. Two years after refusing his official reception in the Oval Office, in part because of an apparent dislike for Putin's hunger for publicity, Bush expressed open admiration for a leader who

statements with helping to stave off the military crackdown—a tribute all the more welcome to an administration that the coup had repeatedly sought by surprise.

In fact, while U.S. officials blamed the unraveling of the plot on the coup leaders' disorganization, the Bush administration itself was scrambling to suppress its response. Despite the fact that the CIA had warned about Gorbachev's vulnerability as long as two years ago, policymakers had chosen to ignore his fragility. Bush thought the CIA was too short.

Naïveté: Does some consolation was the fact that only three weeks earlier, during the Moscow summit, Bush had discounted then-Vice President George H.W. Bush's warning, even as he urged the coup's leadership. Granted that the alleged by themselves, who accompanied him as Air Force One to Kiev, the President and his aides primarily mocked the Russian-speaking officials after their Ukrainian hosts had invited Yeltsin by providing only an English translation.

Adding to the embarrassment of a White House disaster was the fact that the U.S. Embassy in Moscow was temporarily leaderless. Former ambassador Jack Matlock had left last post, and his replacement, Democratic diplomat Robert Strauss, had not even been sworn in. Hailed only as an interim, Strauss is a brilliant choice to judge the Soviet Union towards free-market reforms, despite his lack of knowledge of the country. Strauss suddenly appeared to be the wrong man for the job.

At the same time, Bush at first reacted to the coup with characteristic caution, only criticizing "very-confidential" developments. But the President's pronouncements soon became increasingly bold. And after summarizing Strauss from a California vacation for a busy campaign, Bush dispatched him to Moscow on what he called a "no porting" mission where



Brighton Beach residents marking the coup's end: no turning back

who was clearly symbolic—instructing him not to legitimize the coup by presenting his credentials. In fact, by the time Strauss landed in Moscow, the coup was already unraveling and Bush's confidence in it had faded. When Strauss finally presented his credentials to Gorbachev last Saturday, the Soviet leader pledged to "move quickly to end a new economy, a new television and a new political system."

Despite the relief at that happy ending, most experts predict that the dark shadows of the Soviet Union's violent end of military rule will not be forgotten. The Strategic Arms Reduction Treaty, which Bush and Gorbachev signed in Moscow last month, "Right now, there's a little nervousness," said Peter Rodman of Johns Hopkins University's Foreign Policy Institute in Washington. "I think the Congress will want to let the dust settle before it makes any more moves." And some staunch conservatives pleased with Bush to blacken the transfer of military technology to the Soviet Union, scheduled to begin in September. San Francisco, a former Pentagon official with Washington's conservative Center for Security Policy, "This will present a complete undoing of the Soviet military-industrial complex. It only makes them more dangerous."

In fact, with the Soviet economy still in shambles, Putin's odds began searching for new ways to bring U.S. into support. Further appeared that, inspired by Bush's call for speeding up Baltic independence, a delegation of Russian, Latvian and Lithuanian demonstrators outside the White House in another warning of trouble ahead. Demonstrating signs that said, "Bush! Bush! Get off your toilet! Freedom for you!" they were as a new coalition of the United States and the Soviet Union, bound in the events unfolding, for good or ill, had a world away.

MURICI McDONALD in Washington



Bush at the Kresnadepot house: hunking in yet another foreign-policy triumph

But to administration officials involved with the man who emerged as the coup's star, Russian president Boris Yeltsin, whom they had previously welcomed and welcomed in June. Hough turned against a policy shift based on the drama of TV clips. What ended the coup was a split in the Soviet elite, he argued, not the because of a man who represented only the Russian republic in the Soviet press. Withdrawal support from Gorbachev

based down the Soviet army from on top of a tank. "It's the moment," Bush said. "The moment is a very positive quality in the future. We can and encourage your people." For Bush, who's been heavily on his personal chemistry with Yeltsin, another bond developed during two telephone calls with Yeltsin while he was under siege in the Russian parliament, eventually called "the white house." The Russian leader cordially confirmed Bush's

THE PASSIONS OF BRIGHTON BEACH

From the many beachside calls that stretch along the Brooklyn boulevard community to the burning clubs that thrive in the shadows of the elevated subway tracks over Brighton Beach, the area was electric. Soviet immigrants, most of them Jews who now form the largest Russian community outside the Soviet Union and Israel, crowded around TV sets and pressed transistor radios to their ears. And Wednesday to catch the latest news. At the White House Supermarket, customer Felix Katz, 45, grumbled loudly when he heard that the house against Soviet President Mikhail Gorbachev had crumbled. "It's wonderful," said Katz. "History can't be turned back now—the coup failed because there's a new generation that can stand freedom."

Of the nearly 200,000 Soviets who have immigrated to the United States since the mid-1970s, about 25,000 have moved to New York's Brighton Beach. They call the neighborhood Little Odessa, after the Ukrainian port city. Restaurants serve Goussan specialties from strudel, but behind the crowded beach houses and delis, there's more to the area. Under the rustling of the tans, where vendors at a beachside market sell delis, there's a new market. Under the rustling of the tans, where vendors at a beachside market sell delis, there's a new market.

Even after Gorbachev returned to Moscow, some Soviet-Americans expressed fears about the future. In the days, Israeli, Russian, Armenian, Russian, and other ethnic groups worried the damaged-southern region that had been from a gold mine to a black track. "I have a very bad feeling about what's going on," said the 52-year-old Kats. "I understand one thing: no bad, no nothing."

But Pamela Gelfe, a 39-year-old home atten-

ant for the elderly, expressed more optimism. "People are happy," she said, rubbing her hands on her family car in the sun on the beachside. "And they love their freedom." And in the Black Sea Boulevard, where the shabby cars of the night of the Communist era still sit, the eyes of former blue-camp parents (Peter Medvedev, with emotion when he learned that the Russian people had voted down the former's assailing tanks. "No Medvedev, it was very bad," said Medvedev, a 60-year-old truck driver from Leningrad. "It was the Soviet regime back again—the construction camps, the killings, the Jews." Added Medvedev: "In these days, there really are new revolutionaries—not at blood, but in the minds of the people." In the emergency in Brighton Beach, last week's historic developments were indeed a welcome relief.

RELAYE WACKENHEIM in Brighton Beach

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COVER



Prime wheat harvest: Western countries reinstated aid after Gorbachev's return

HOW MUCH IS ENOUGH?

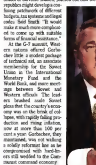
THE WEST WEIGHS MEANS OF HELPING

When Soviet President Mikhail Gorbachev took the lead in the seven leading industrial countries in London in mid-July, there were warm smiles all around and much talk about the historic nature of the session. But when the handshaking ended at the Group of Seven summit, Gorbachev drew back in Moscow with little concrete help for his efforts to overhaul the Soviet economy. Most G-7 countries, including Canada, expressed the view that substantial financial aid would be wasted until the Soviet Union adopted a far-reaching program of economic reforms. That the steep cost of last week's failed coup against Gorbachev, and his decision to resign as leader of the Communist party, undoubtedly gave fresh impetus to those fervent quarters and more generous Western help. Lending the way was Germany, which had unsuccessfully argued for a larger aid package at the G-7 meeting and which last week openly adopted a much-old-you-to-take. Radical Seniors, the head of Chancellor Helmut Kohl's office, advised other

Western nations to "consider their share in responsibility" for the coup, and he added: "A people who so heavily indebted deserve a right aid measure."

Not many Western nations were likely to offer substantial aid all immediately. But the failed coup and the effective end of seven decades of Communist rule clearly strengthened the hand of those countries that have traditionally supported more assistance France, Italy and especially Germany. British Prime Minister John Major, the current G-7 chairman, last week markedly softened his previous opposition to substantial aid. But the United States and Japan remain openly skeptical, setting the stage for a sharp debate in coming weeks. Prime Minister Brian Mulroney, for his part, will sit on the sidelines that supporting the Soviet Communist party of power could pave the way for additional financial assistance. And Mulroney, who in the past had opposed massive Soviet aid as wasteful "We always viewed it (the Communist party), quite frankly, as a very grave structural obstacle

to the reform of the Soviet economy." The failed coup, however, may have made it more difficult for Western governments to determine what sort of aid would be most effective. The victory of Soviet reformers increased the likelihood that substantial aid will gain greater power at the expense of the central government. In turn, the republics will likely draft their own programs of economic reform. Some may follow the example of Ukraine, which last week announced plans to issue its own currency, while the three Baltic republics may go completely independent much sooner than previously expected. Alan Smith, senior lecturer at the University of London's school of Slavonic studies, pointed out that the



Mulroney: wait for reform

The two-lanes' desire to spread to make any further large-scale international assistance and it raised hopes for far-reaching market reforms. Major, for one, swiftly altered his approach. Said the prime minister: "Communist reform is needed. Many of the opponents to reform are the people who launched this coup—they will no longer be there." As a result, British officials last week proposed a package of short-term aid. Mulroney in Ottawa, Mulroney reiterated the \$12.5 billion in technical assistance and trade credits in the Soviet Union that he had favored after Gorbachev's arrest. At the same time, he rejected as "irresponsible" misleadingly say claim that Western leaders might have contributed to the coup by not offering Gorbachev more aid at the London summit. Smith adds that such extra assistance at the time might have been counterproductive. The University of London's Smith, for one, noted that Soviet hard-liners were hostile to Western handouts and might have tried to arrest Gorbachev were earlier if he had seen more. Still

Smith: "They thought that kind of aid was degrading." American and Japanese officials last week laid out against demands for so much aid as to make it difficult for the Gorbachev response, however. President George Bush said that the United States might "eventually" remove its ban on direct aid. "But," Bush cautioned, "before that we've got to see reforms in the Soviet Union." The President has approved \$1.7 billion worth of credits for grain purchases and he has asked Congress to grant most-favored-nation trading status to the Soviet Union. The reformers' triumph makes it more likely that Congress will pass the measure when it resumes sitting next month. And

enthusiasm for the burgeoning Soviet democracy will make it politically more popular for the members of Congress to propose more substantial aid measures. Converting Still, the West can help in ways that do not involve massive financial aid. Even many Soviet experts acknowledge that their country's first priority now is obtaining guidance in how to set up Western-style banking systems, stock markets, management training programs and the privatization of industries. The Soviets also need advice on how to utilize the ruble convertible into other currencies, a vital measure to ensure that foreign investors are able to convert their profits to currencies of their choice. Other aid could be targeted at financing some of the high costs incurred by Western firms attempting to invest in the Soviet Union. Businesses could also help to transfer the country's infrastructure. The country's infrastructure, safety experts more strongly. Still other help could be aimed at the development of democratic forces. Paul Marshall, a Soviet studies professor at the University of British Columbia, said that giving grants to independent newspapers could be a first step in that direction. And in the short run, a poor Soviet grain harvest will almost certainly leave the country in need of emergency food aid during the winter. Still, cautious Bernard Wood, executive director of the Canadian Institute for International Peace and Security at Ottawa: "We have to recognize that the welfare, that is development." More substantial aid will still depend on the Soviet leadership effectively implementing what Gorbachev is long awaited a market economy.

ANDREW PHILLIPS is in London with NANCY WOOD in Ottawa and ALAN BLACKBURN and WILLIAM LOWMEYER in Washington

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COVER

'THE LANCING OF A BOIL'

U.S.S.R. INVESTMENT MAY GROW

Since it opened in January, 1990, the 700-seat McDonald's restaurant in Moscow's Pushkin Square has been besieged by hungry and curious onlookers. But at the height of last week's turbulent political events in the Soviet capital, the long lines that usually surrounded the restaurant disappeared. Consequently, George Colan, the president of McDonald's of Canada Restaurants Ltd., which has a 50-percent interest in the Moscow restaurant, was vacationing with his wife, Susan, and son, Craig, 28, in the Soviet resort city of Tbilisi, 1,600 km south of Moscow, where the coup leaders announced Soviet President Mikhail Gorbachev's ouster. As panic swept world financial markets, Colan and his family fled to an unindustrial European destination. And throughout the business world, the crisis led analysts to question the merits of investing in the Soviet Union.

For some investors, the abrupt coup was a firm warning that the country is too unstable for foreign investment. For some experienced investors and that future expec-

tion plans are likely to be held up until it becomes clear that the political situation has returned to normal. But as the longer run, many experts predicted that the failed coup would actually improve the investment climate by accelerating the pace of economic reforms and removing from power some of the hard-liners who opposed the increasing presence of Western businesses. Declared Edward Reibels, a Toronto lawyer who specializes in arranging Canada-Soviet business ventures: "In hindsight, the entire episode is the best thing that could have happened. It was the lancing of a boil."

Rumor: Even before the coup attempt, many Western companies were reluctant to invest in the Soviet Union because of increasing doubts about the country's political stability. As well, some executives say that they had detected a growing Soviet backlash against capitalism. These concerns were underscored by a recent report over a multibillion-dollar Chernobyl Corp. plan to develop the huge Dnieper offshore in Kazakhstan, the largest Soviet business ven-

McDonald's pre-coup slogan: 'Yest of life'

ture to date involving a U.S. company. One Soviet newspaper, *Moscow News*, denounced the proposal as a "dirty deal" under which the country's resources would be "plundered and sold for a song." That-line Canadians in the Soviet business community had also reportedly tried to block the Chernobyl plan.

But the coup's failure seemed to stifle the resolve of Western business. After a sharp drop in share values at the beginning of the week, both the New York Stock Exchange's trading and Dow Jones industrial average rose the Tuesday Stock Exchange 300 index closed the week above their pre-coup levels.

There was a substantial degree of uncertainty among Canadian business leaders about future plans for Soviet investment. "We won't change our basic strategy. It is a potentially good market for us," said Maurice Marwood, president of Canadian Paramount Ltd., a Calgary-based oilfield-equipment supplier that has done business with the Soviets for 25 years. Kirovskii Steels, whose Hildesheim-based machine company, IMR Group Ltd., owns a 50-percent share of a new luxury hotel in Moscow, and his firm would study the political situation closely before deciding when to proceed with additional projects. But he added: "Uncertainty is a fact of life for anyone conducting business in the Soviet Union."

Apocalyptic: Still, Los Mowatville, executive director of the Canada-U.S.S.R. Business Council, said that for some of his firms that had decided to abandon their Soviet investments. Mowatville added that the coup's failure may help to transform ordinary Soviets from passive critics of their country's economic problems to active participants in the change-for-better. Said Mowatville: "The people themselves may be shocked into seeing, 'We've got to move faster because the alternatives are apocalyptic.'"

Indeed, a few companies have decided to forge ahead tentatively despite the prevailing uncertainty about the direction and pace of Soviet policy. A day after Gorbachev returned to Moscow, Canadian Franchise Ltd., a Calgary-based oilfield services company, announced plans for a third partnership-drilling-pool venture in Siberia. "We regard things as very workable," said company spokesman Steve Dodge. For some companies, the potential rewards of doing business in the Soviet Union are clearly worth the risks.

JOHN DEBOST and **WILLIAM GORTNER** are Washington, D.C. writers on Canada. **NANCY WIGG** is in Ottawa and **MARGARA WICKS** is in Toronto.

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STEELING FOR A SHAKEOUT

Fran has 20th-floor office atop the Scotia Tower in downtown Hamilton, Frederick Telmer looks over Lake Ontario's western shoreline. Donating his panoramic view is Stelco Inc.'s sprawling Hilton Works steel mill, the source of some of Telmer's biggest headaches. As chief executive officer of Canada's second-largest steel producer, Telmer has spent \$127 million in the past year modernizing the Hilton plant and reinforcing its aging equipment. Even so, steel industry analysts say that the 3,500-acre facility remains relatively inefficient, with productivity levels well below North American standards. Despite his efforts, even Telmer acknowledges that huge infusions of cash are unlikely to solve Stelco's problems. "The steel business has a voracious appetite," he says. "But you cannot put those money at a problem—you have to use ingenuity."

The dilemma confronting Stelco is common in Canada's steel industry. For almost two years, the country's steelmakers have been battered by poor sales and depressed prices. Layoffs have reduced the industry's workforce to an estimated 36,000 from 44,000 in 1994. While some analysts have expressed hope that steel's downturned spiral may be over now that the North American economy is picking up, the pessimists, the current situation is still grim: in the first five months of 1995, steel demand in Canada was 13 per cent lower than in the same period a year earlier. Meanwhile, two of the three leading manufacturers are still trying to recover from lengthy strikes. As a result, Canada's major steelmakers face contradictory pressures. They have to expand their operations in order to produce better grades of steel and to remain cost-competitive with U.S. steel producers that they cannot afford to

POOR SALES AND DEPRESSED PRICES CONTINUE TO BATTER CANADA'S HARD-HIT STEEL INDUSTRY

spend heavily on modernization programs as long as sales and prices remain weak.

The immediate outlook is gloomy. Many consumers are heavily in debt and, as a result, will likely be reluctant to resume spending on major steel-intensive items, such as cars and household appliances. As well, large companies are also short of cash and have postponed plans to construct new facilities or purchase new equipment. The litany of problems has left steel company executives cautious about evidence that the economy is poised to rebound sometime soon. Declared Paul Phoenix, chairman of Hamilton-based Dofasco Inc., Canada's largest steel producer, is concerned and the fourth largest in North America: "I don't see us pulling out of this in the near future. Orders aren't definitely stabilized, and there are glimmers of light—but I'd believe it only when I see it." Roger Phillips, president and chief executive officer of Regina-based Inco Inc., the country's fifth-ranked steel producer, is also skeptical about the strength of the recovery. He added: "Things are bouncing off the bottom and you get a few bops here and there, but most of it is



not short-term inventory rebuilding."

The widespread pessimism is firmly rooted in the balance sheets of the major steel companies. Stelco lost \$79 million in the first half of this year on revenues of \$665 million, following a \$107-million loss on revenues of \$2.1 billion in 1994. To finance new modernization programs and pay off some of its debts, Stelco last week announced the sale of \$200 million in new shares. Dofasco, meanwhile, is still trying to recover from the problems caused by its 1994 acquisition of steel giant Inco Corp. Ltd., a South Ste. Marie, Ont.-based producer that has been suffering from operating difficulties, out-of-date equipment and a history of poor labor relations. Unable to associate the company, Dofasco wrote off its entire \$113-million in-

vestment in January and is now trying to work out a survival strategy for the company with its array of federal and provincial officials, creditors and representatives of Algeria's 7,000 unemployed workers.

In the long run, the Canadian steel industry is facing a significant shakeout. Phillips notes that the strong Canadian dollar has made Canadian steel unattractive in export markets, leaving the industry with an overcapacity that will have to be eliminated. "Not all the players are in good shape and out of all of them can be supported by the domestic market," he adds. "They need to export. And if they can't export, they will be driven out of business." One

possible casualty is Algoma, whose managers are likely to seek a massive infusion of public money to enable the company to stay in business. Several other small steel-product manufacturers across Canada are also under red ink and may not survive.

Stelco's Telmer, meanwhile, is experimenting with a variety of new approaches in order to recover lost ground. Hoping to offset steel's cyclical performance, company officials have branched out into successful diversification campaigns in 1988. The strategy included a \$15.5-million investment in Clavis Corp. of Toronto, a now-bankrupt holding company, and the purchase of a 50-per-cent stake in Warburton-based

Business Notes

IDEALS TAKE FLIGHT

Analysts are divided on assessing the value of an agreement in principle by Air Canada to ally itself with USAir Group Inc., the sixth-largest U.S. airline. Final details of the deal, which encompasses marketing, operations and potential cross-ownership, will be worked out later this year. Some analysts said that it was the best deal Air Canada could make, but others claimed that an accord with an even larger U.S. airline would have given Air Canada greater access to U.S. and other international markets. In the first six months of the year, USAir lost \$26.8 million on revenues of \$3.7 billion. During the same period, Air Canada lost \$120 million on revenues of \$1.8 billion.

LONG, HOT TALKS

Speculations for both Mexico and Canada expressed frustration at the slow pace of the first trade talks after two days of negotiations with the United States in Seattle. Officials from all three delegations said that the discussions arrived may be concluded only by 1993, instead of next year as originally planned. Negotiations are scheduled to meet again in Mexico in October.

UNRAVELING THE BCD ISSUE

There was an action to close the Bank of Credit and Commerce Canada until regulators in Britain seized back its assets on July 5. Michael Macchione, federal representative at financial institutions, told a Commons committee investigating bank's Canadian operations. Macchione said that he has no evidence that BCC Canada was involved in the illegal activities that fueled the shutdown of its Luxembourg-based parent.

SALOMON'S SCANDAL

Salomon Brothers Inc., the second-ranked Wall Street brokerage, continued to lose major customers as U.S. regulatory authorities investigate the securities firm's admission of illegal bond deal. American chairman Warren Buffett attributed Salomon's withdrawal partly to its "machi culture" and said that he will briefly leave members of Congress who are trying to reform the government securities market.

SHOPPERS SKY HIGH

Retail sales fell 3.4 per cent in June, to \$15.4 billion, from the same month a year ago—despite hopes that the recovery has taken hold in the economy. In May, Statistics Canada reported that retail sales increased 1.3 per cent from the May, 1994, level.



Telmer: 'use ingenuity'



A week that shook the Communist world

BY PETER C. NEWMAN

The most memorable moment in the week that shook the Communist world was when Boris Yeltsin addressed the crowds before the Russian parliament building, his hair blowing in the wind, with an impetuous look as he spoke, while the leaders of the coup were drawing air at a staged news conference, their congratulatory double-breasted suits and white shirts as limp as their official press secretaries.

In the final months of Soviet communism in a few hours, the victims of the bloody tactics and dated beliefs of its last tyrants—members of the self-proclaimed State Committee for the State Emergency that tried and failed to seize power. They were and would remain members of Josef Stalin's seriously eroded army of opportunistic successors—among them Leonid Brezhnev, Yuri Andropov, Konstantin Chernenko—and, most earlier, Georgi Malenkov, who carried a corner of Stalin's office at his 1953 state funeral and returned to leading at power before being overthrown to join a power division at Ufa-Kamenskoye, some 2,500 km southeast of Moscow.

The forces set loose by last week's amazing sequence of events are rooted deeply in the history and the Bolshevik interpretation of society. They are as barbaric legacies from traditions that taught the Russians to regard most outsiders as people to be either feared or subjugated. That shookhold, outflanked decades back to the 13th century, when Mongol hordes from the East invaded Russia in a tide of embittered conquest.

Most of Russian history flows with blood and intrigue from the Tzarist, the 16th-century czar who came by his title honestly, had seven wives, some of whom were possessed by antisocial passions who didn't want him to leave in peace. Members of the horrendous Napoleonic campaign and Britain's invasion (which claimed 27 million lives) mean so now that many Moscow newsmen place part of their brutal boyars in the Tzar's of the Unknown Soldier

with Lenin's few months' stay in the city, including every reasonable balcony from which he ever gave a speech—and for one was treated as a shrine.

It was a crude and cruel faith, but for an astonishing 70 years it held together the world's largest back of propaganda, the Union of Soviet Socialist Republics—which requires 11 time zones to accommodate its outrageous dimensions. It shreds socialism a country that a wild amalgam of 15 republics and more than 100 ethnic groups. Not until Mikhail Gorbachev took power in 1985 did the structure begin to break down. Most republics devoted to fulfill their own destinies, thus going counter to the historical Russian dream of being so crowded by friendly extensions of itself.

Many imperialistic Gorbachev introduced to the Soviet Union a limited form of political progressivism—the most profound of heresies in a society which her generations had lived by an operational code that held all forms of past, present and future behavior to be either prescribed or forbidden. In the process of the past half-decade's changes, power and influence began to flow into the hands of a becoming generation of technocrats. They are no ideologues. They favor pragmatism and technocracy, not smart, worldly and, above all, impetuous.

Last week's coup was prompted as much by that impatience (which the plotters manifested as disillusionment) as by the ancient enemies who hatched the actual coup. Gorbachev's plan, laid July 26, did not extend to replace Marxist orthodoxy with a new ideology and "social democracy" was enough of a threat to the old guard, but the new society that virtually granted independence to the backbone republics was too much for them to swallow.

After his fervent resignation as Communist party chief, Gorbachev emerges from the sequence of coups and counter-coups in a transparent place, the man who disrupted the status quo without being willing to discard it. A major part of confusion between him and Boris Yeltsin is that the Russian government seemed to abandon the Communist party, while Gorbachev had hoped for party faithful could have been persuaded to reform themselves. Yeltsin is dead right when he describes himself as "a member of the half-communist."

But, as both men make the problem is as much economic as political. The Soviet economy's gross domestic product has dropped 10 percent in the first half of this year alone, while industrial production so far in 1991 is down 6.3 percent. There is a such a material reality that the official statistics that created the most powerful and widespread political movement (freedom) by more of secular religion the world has ever known. It had its own bible (Dostoevsky, Tolstoy, Marx, Engels and Lenin), apostles (the Politburo and Gorbachev) and 10 million Soviet Communist party members. It also had its own flag—the hammer and sickle—which Yeltsin has now outlawed in the fresh his, outlawing Russia's red, blue and white flag. Last month, Yeltsin issued a special coup decreeing no fewer than 231 places associated



Lakeman; McLachlin (below): the decision reopened a long and bitter debate

JUSTICE

Rape and the court

Justices overturn the 'rape-shield' law

The plea to Justice Minister Kim Campbell was a discarded member of an underbelly battle. Justices after a speech in Vancouver in June, in which Campbell vowed before a gathering of judges, politicians, business and academics that she would lead a reform of the Canadian legal system to meet the needs of women, a

Lakeman, an opponent at a Vancouver women's court, last week. The battle is back to Square 1.

The court's decision reopened a long-standing and often bitter debate about the rights of an individual to a fair trial and the need to reform strategies that women's groups continue to push the legal system against victims of sexual assault. It also prevented Campbell with the difficult task of building her government to evaluate any form of gender bias in the law while respecting the constitutional boundaries set by the high court. In a decision written by Justice Beverly McLachlin, one of the court's two women judges, the Supreme Court ruled that the 1983 legislation, which prevented defense lawyers from questioning alleged rape victims about their sexual past, could exclude relevant evidence and prevent justice from being done.

Officials of women's organizations and lawyers were divided over the likely effect of the court's decision. The Ontario-based National Association of Women and the Law, a nonprofit organization dedicated to studying women's issues, predicted "a dramatic decline" in the reporting of sexual assault. For Campbell, the court's controversial ruling has imposed a difficult task of her undertaking to make the nation's justice system more responsive to the needs of women.

of the court's decision. Judy Rebick, president of the National Action Committee on the Status of Women, and that the decision would have a "chilling" effect by making women reluctant to press sexual-assault charges. But Ann Bowry, general counsel of the Canadian Civil Liberties Association, which opposed the 1983 Criminal Code provision, said that the court had made the right decision. Still, Bowry acknowledged that strong as appropriate legislative balance between the legitimate interests of the complainant and the rights of the accused could be difficult in some cases. For three past, justice department officials in Ottawa said that Campbell, who was an activist in British Columbia, was "carefully" considering options to protect victims of sexual violence from harassment and embarrassment.

Legal experts said that in its summary decision, the Supreme Court clearly attempted to steer a middle course. It upheld Section 276 of the Criminal Code, which excludes evidence of a complainant's sexual reputation for the purpose of challenging or supporting the complainant's testimony. But it struck down Section 276 of the code, which since 1983 has prevented defense lawyers from questioning a victim about past sexual activity with anyone other than the person charged with the crime. In her judgment, McLachlin justified striking down Section 276 on the grounds that sexual history screening was a "universally discredited" practice in the present legal system.

Instead, the court explained the provision with strict guidelines that it said should ensure that only relevant information about a victim can be raised in open court. If a trial judge decides after an in-camera hearing to admit evidence of past sexual activity, the jury must be warned against inferring that, because of that sexual history, the complainant might have consented to sexual relations. To strengthen the warning against Section 276, McLachlin cited a case from the state of Oregon in which a father was accused of molesting his child with his daughter. In the case, the father sought to show that his daughter's association stemmed from his anger after he stopped her from having sexual relations with her brother. Under Section 276, and McLachlin, evidence of that nature would be prohibited and could deprive her accused of a fair trial.

The issue caused a sharp division of opinion within the high court itself. In a strongly dissent, Justice Charles L. Houshous-Dubé, who wrote the majority opinion, and that Parliament enacted the 1983 law because it did not want judges to make the common decision about an issue still clouded by "myths and stereotypes." Her view was echoed by women's rights groups. The Ottawa-based National Association of Women and the Law, a nonprofit organization dedicated to studying women's issues, predicted "a dramatic decline" in the reporting of sexual assault. For Campbell, the court's controversial ruling has imposed a difficult task of her undertaking to make the nation's justice system more responsive to the needs of women.

BY KATEY FULTON in Ottawa



Decathlete Michael Smith's star is rising

Canadian track-and-field officials welcomed

Track agents say that Smith's accomplishments so far, and his strong opposition to steroids, have helped to restore the Canadian team's pride. His on-field prowess has also increased his appeal to sponsors, including Adidas (Canada) Ltd., Effort Foods Ltd. and Tachik of Canada Ltd., who have contracts with the commercial school at the University of Toronto. Still, Smith says that for him, the

Higgins said that he was able to convince Smith to leave Kenora and complete his last year of high school in Toronto while training full time with him and other national team coaches at the University of Toronto athletic centre. Higgins said that preliminary tests indicated that Smith possessed a "really exceptional physique" for the decathlon, which requires competitors to perform at the discus, shot-put and javelin throw, the 100-, 400- and 1,500-m track events, the high jump, pole vault, long jump and the 110-m hurdles. So far, 1986, while still in his first year of training, Smith succeeded in winning the silver medal



For his part, Smith said that Johnson's street test had one positive result: According to Smith, the more rigorous testing imposed in Canada and some other countries since 1983 has reduced, although not eliminated, the use of drugs. Smith says that he remains completely opposed to drug use. "My perspective has always been very clear," he added. "The placings and the tests will take care of themselves."

JAMES BEACON

A man with glasses and a patterned shirt is kneeling on the floor, petting a large golden retriever. The dog is sitting and looking towards the right. The background is plain white.

A MODEST SUCCESS STORY

Best-selling author Tom Clancy's five previous military thrillers have sold nearly 30 million copies and his latest, *The Sun of All Fears*, has just hit the top of international best-seller lists. But Clancy, who has also received widespread critical acclaim for his novels, describes himself as "a nerd, someone with crooked teeth." The 44-year-old author is equally self-effacing about his success, attributing it to "pure, dumb luck." Added Clancy: "If nothing else, I have given people one entertainment. Beyond that, maybe I have enlightened a few."

A star is born

Three years ago, Montreal-born actress Daphne Kaster traveled to Los Angeles because, she said, "I couldn't even get an audition in Canada." Now the 27-year-old Kaster has the lead role in a new movie she cowrote called *Julia Has Two Lovers*. The eldest comedy is about a woman whose life changes when she starts co-sleeping but must eventually decide to be a stranger on the phone. The low-budget Julia, which cost \$173,000 and was shot at Kaster's own beachfront apartment in Venice, Calif., has received mostly positive reviews from both Canadian and American critics. And it has launched Kaster's career as a film director.

Kaster changes for the better

She says that she plans to direct her latest script, a farce about aggression men called *Spunkin' Fly*, later this year. Added Kaster, who has also had supporting roles in the careers of American film director Henry Jaglom: "I can't believe all this is happening to me. Going to L.A. was the best thing I ever did."



CLANCY/ABC



Wright: a 'taste of the wild life'

BACK ON TRACK

Countryswest star Michelle Wright is straightforward about her battle with the bottle, which she attributes to too many late nights when she used to sing in bars across Canada. "I am a recovering alcoholic," said the 30-year-old singer from Chatham, Ont., who has received a best-female-vocalist nomination for the *Canadian Country Music Awards* on Sept. 15. Said Wright, who is touring the United States with Kenny Rogers: "I have had my taste of the wild life, but I take better care of myself now." She added: "This is business."

From news-maker to reporter

Ruthen Turnbull, the conservative-conservative clerk who was shot during a 1983 robbery, paralyzing her from the shoulders down, says that she has a new appreciation for journalism. Turnbull, 26, is currently finishing her third semester internship as a reporter at The Toronto Star. Said Turnbull, who types with a mouth stick: "I was prepared to hate it because I have been kidnapped so many times. But most reporters try to do a good job."



CLANCY/ABC

THE TOP OF THE HEAP

Less, even Hollywood heartthrob Patrick Swayze rose to stardom in part, at least, because of his starfish-performances in such topgrossing movies as *Ghost* and *Dirty Dancing*. Last week, New York City-based People magazine made it official and crowned its annual "sexiest man alive" honor on Swayze, who joins the well-cracked company of six previous winners, including fellow actors Tom Cruise, Sean Connery and Mel Gibson. Swayze, who is currently in London filming his latest movie, *The City of Joy*, said that he was "flattered and surprised." Said actor Ka-Py Lynech, who co-starred with Swayze in the 1989 action drama *Steel Dawn*: "He's strong, but he has grace and agility. He's not just this big guy throwing his muscles around." Added Demi Moore, Swayze's co-star in *Ghost*, who appeared nude and pregnant on the controversial cover of *Vanity Fair's* August issue: "He has a very sweet, gentle and kind heart. But he also has a very rugged, animalistic physique."

Swayze: 'a rugged, animalistic physique'



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BOOKS

Reptile territory

Elmore Leonard mixes guns and alligators

MAXIMUM BOB
By Elmore Leonard
(Doubleday, 292 pages, \$25)

Certain things come Judge Bob Gibbs to mind this day with a stiff shot of bourbon. On one pleasant morning what prompts him to reach for the Jac Stone is seeing a 10-foot alligator waddle through a glass door and lumber into his Palm Beach County, Fla., living room. But most of the time, Gibbs deals with the human reptiles who stand trial in the county courthouse—and who are actually far more dangerous than alligators, if sometimes only slightly smarter. With *Maximum Bob*, L.S. thriller writer Elmore Leonard, whose previous best-sellers *Freaky Dinky* and *Get Shorty* were set in Detroit and Hollywood respectively, proves that, anyway, Crapwood-influenced Florida also makes a great habitat for scarily exotic twellies. Roll, for all its vivid dialogue, took



Leonard: twellies thrive in his Florida

pulling and creative assistance, his later book remains unapologetic, largely because its main characters are so much less memorable than the bad guys.

Gibbs is not one of the bland goody-goody A pickup-droverbag who looks like "a farmer or an Over-the-hill fishing guide dressed for town," he is called *Maximum Bob* because he frequently hands down maximum sentences. Nearing 60, his offences include conkey-batted, dumb-as-dirt Elton Crowe, a murderer who has just finished serving a *Maximum Bob* sentence. When the alligator shows up at the judge's residence, and later, when shots are fired at his house, two officials—the young homicide cop Gary Hammond and 27-year-old Cuban-American probation officer Kathy Blue Baker, whose casual look includes Crowe's nephew Dale Jr.—team up to find the culprit.

While slogging through the evidence, Baker also has to deflect unwanted advances from the sulkily married judge. Leonard, his young second wife, used to be a "normal" at the local tourist attractions, *Wokee Wokee Springs*—and she believes that she is abused by the spunk of a 22-year-old black girl who was killed by an alligator. When the focus is on Leonard, the judge or the assorted cowards, the thriller is swinging. But too much of the story revolves around the relatively ordinary Baker and Hammond. Unlike the alligator in the judge's living room, stretches of *Maximum Bob* actually seem a little too banal and uneventful.

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SEAGRAM'S GIN

BOOKS

A deadly puzzle

Inspector Banks takes on a daunting murder mystery

FIRST REASON HATED:
AN INSPECTOR BANKS MYSTERY
By Peter Robinson
(Penguin, \$38 pages, \$23.95)

There are few more atmospheric backdrops for a murder mystery than the high, desolate moors of Yorkshire in northern England. It is the country of the *Boswell* novels—of *Washington Nights* and *Nowhere*—a place of timeless skylines, moorland farms and sodden, misty moors. Yet only Toronto writer Peter Robinson makes little use of that backdrop in his Inspector Banks novels, which are set in the fictional Scottish village of Rastonia. Like the four earlier Banks stories, Robinson's latest, *First Reason Hated*, centers on the little sense of place that it might as well occur in a suburban shopping mall.

That lack of local color reflects the kind of novel that the British-born Robinson writes: a pale, generic version of the old classic, Agatha Christie-style mystery. His Banks books lack the mountains and compelling strangeness of Christie's work. Yet he is an attractive plotter and a fair psychologist, capable of raising considerable curiosity around that most fundamental question: "Who did it?"

"It" is *First Reason Hated* is the vicious murder of an 80-year-old woman, a 26-year-old Canadian, Bartley, just before Christmas, her Indian lover, Vanessa Skidlow, discovers her nearly nude, much-stabbed body on the lounge-room couch. At first, the only obvious clues are a Vivaldi record playing in the background and a lot of motel Christmas wrapping paper. But Chief Insp. Alan Banks is soon busy teasing hidden meanings out of the scene as he ascends the Gordian knot of Bartley's past.

The self-effacing hero of Robinson's four previous novels, Banks is less a personality than a sort of window through which various suspects appear. There are a lot of suspects, including Skidlow, Skidlow's former husband (who still consents having lost her to Bartley) and James Conner, director of the play in which Bartley was appearing. Robinson juggles suspects deftly until each of these characters is made vied by an air of possible guilt. But while *First Reason Hated* is an intriguing sociological puzzle, it makes little appeal to those primitive feelings of fear that the readers of mystery novels so successfully suppress.

JOHN DEWIDT

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The common touch

It was an awkward moment. After a screening of *Scumbag* film, the crowd that opened the 12-day Montreal World Film Festival last week, actress Diane Ladd said that she was thrilled to be in the city "because the movie that opened your festival last year was *Pretty Woman* and it was extremely successful." An official with the festival, who remains on Sec 2, politely told Ladd

Measerville, Toronto's festival now over-

that she was awarded. In fact last year's episode was one of *Exhibit*'s lowest-rated popular movie that drew down from the audience and was dismissed by critics. This year, *Exhibit* has a somewhat sweeter story to tell, *Exhibit* is the story of the trial, which is usually more popular. Last year's two other disaster stories—her daughter, Lauren Dore, and American actor Robert Downey—did not attract the premiere. This, combined with the *Friday* movie blunder, seemed really symptomatic of a festival that is underperforming its 18th anniversary.

The event's organizers claim that it is the most popular film festival in North America, with the attendance growing 290,000 last year. But despite that fact, the festival is suffering. With an annual budget of \$1.7 million, it has an attendance of 100,000 people, and the festival's organizers have also criticized the festival's director, Serge Loslever, for what they call his

shadow Montreal is a showcase for major Canadian cinema. This year's most ambitious Canadian feature, *Kiss Kiss*, starring Quebec actor Louis-Philippe, would have been a logical choice to open the Montreal festival. But its producers, who are also the festival's organizers, thought up in Toronto's Victoria Hotel in Montreal. Releasing the movie's distributor told *Exhibit*'s last week, "Toronto is a more appropriate launching pad to position the film in a North American context. Montreal's is more European festival. However, anyway, we are not going to be in Montreal for the next three years, added: "The public that is more involved in the Montreal festival than in Toronto's, which is still quite elite. Montreal attracts a much broader local audience—middle-income, blue-collar workers, people young and old."

The simplest defense of Montreal movie fest was to point last week when talking to

their screenings of a French film called *Le Petit meurtre* (The Brutal Troubadour) sold out before the festival opened. Acclaimed at the Cannes Film Festival last spring, *Le Petit meurtre* is a four-hour drama about an artist and his model. Though exquisitely made, it is hardly about watching paint dry. "That's incredible," said festival vice-president Richard Gray. "To me, that's proof that in Montreal there is an amazing passion for film."

The festival's current program offers 235 concerts from 50 countries, including 24 from Canada. Among the 23 initiatives to attract nonpop audiences are three new Canadian dance troupes, the National Ballet of Canada's Diplomatic Assembly, by Toronto director North Greenhouse, is a precursor and only a distant cousin to a ballet from Toronto who danced at the festival last year. One of them is El Salvador's Wob-A-Domesticus (aka The Wild Wild), Montreal director Liane Paul has abandoned the urban images of her previous movies to film a story set in the mountains of Switzerland, her last film, *Place à Canada-Swiss* on production, it is about a young woman finding the love and hiding out with a dangerous man in the wilds. Another surprise film is *Competition, Public* by Guy Ouellet, a Quebecer who is being promoted by Montreal director Howard Berger—he is back about a fugitive, but it is set in the back streets of the city.

Czech director Jan Masek provides a more baroque view of the under-world with *The Beggar's Opera*, an on-screen version of Czech playwright—now president—Václav Havel's play, which was in turn inspired by Bertolt Brecht's *The Threepenny Opera*. A quaint, carnival comedy of collaboration and betrayal, it is amusing but over-the-top fat—never escaping the bathos and theatricality of the stage.

Meanwhile, German director Percy Adlon (*Die Hard 2*)'s testosterone-laced interest with more exotic coding in *Schindler's List*, a movie that made Canadian singer k.d. lang's score debut. Starring opposite Chuck Connors, lang portrays a boarding-schooler who falls in love with an East Berlin liberator in northern Alaska. The festival will close on a more conventional note, with *20th Street*, starring Amla as a teacher in a southern-California setting.

Montreal's festival still serves as a valuable window on world cinema, but its prestige has faded. Its programs lack vision. And although its shuffling Toronto rival has eroded it as a commercial importance, Montreal still tries to compete for Hollywood's favor—while playing a weak role in discovering fresh talent. To enhance the glories of this year's anniversary, organizers greeted the program with 10 festivals, honoring such guests as actor Anthony Hopkins and directors Oliver Stone and Norman Jewison. But as the festival celebrates these accomplishments, its past appears more than its future.

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